

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2023

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission File Number 001-09553

Paramount Global

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

04-2949533

(I.R.S. Employer Identification No.)

1515 Broadway New York, New York

(Address of principal executive offices)

10036

(Zip Code)

(212) 258-6000

(Registrant's telephone number, including area code)

Not Applicable

(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbols	Name of each exchange on which registered
Class A Common Stock, \$0.001 par value	PARAA	The Nasdaq Stock Market LLC
Class B Common Stock, \$0.001 par value	PARA	The Nasdaq Stock Market LLC
5.75% Series A Mandatory Convertible Preferred Stock, \$0.001 par value	PARAP	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Number of shares of common stock outstanding at May 1, 2023:

Class A Common Stock, par value \$.001 per share—40,704,341

Class B Common Stock, par value \$.001 per share—610,852,890

PARAMOUNT GLOBAL
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PART I – FINANCIAL INFORMATION**Item 1. Financial Statements.**

PARAMOUNT GLOBAL AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited; in millions, except per share amounts)

	Three Months Ended	
	March 31,	
	2023	2022
Revenues	\$ 7,265	\$ 7,328
Costs and expenses:		
Operating	4,964	4,796
Programming charges	1,674	—
Selling, general and administrative	1,753	1,619
Depreciation and amortization	100	96
Restructuring and other corporate matters	—	57
Total costs and expenses	8,491	6,568
Gain on dispositions	—	15
Operating income (loss)	(1,226)	775
Interest expense	(226)	(240)
Interest income	35	21
Loss on extinguishment of debt	—	(73)
Other items, net	(46)	(13)
Earnings (loss) from continuing operations before income taxes and equity in loss of investee companies	(1,463)	470
Benefit (provision) for income taxes	381	(34)
Equity in loss of investee companies, net of tax	(75)	(37)
Net earnings (loss) from continuing operations	(1,157)	399
Net earnings from discontinued operations, net of tax	45	42
Net earnings (loss) (Paramount and noncontrolling interests)	(1,112)	441
Net earnings attributable to noncontrolling interests	(6)	(8)
Net earnings (loss) attributable to Paramount	\$ (1,118)	\$ 433
Amounts attributable to Paramount:		
Net earnings (loss) from continuing operations	\$ (1,163)	\$ 391
Net earnings from discontinued operations, net of tax	45	42
Net earnings (loss) attributable to Paramount	\$ (1,118)	\$ 433
Basic net earnings (loss) per common share attributable to Paramount:		
Net earnings (loss) from continuing operations	\$ (1.81)	\$.58
Net earnings from discontinued operations	\$.07	\$.06
Net earnings (loss)	\$ (1.74)	\$.65
Diluted net earnings (loss) per common share attributable to Paramount:		
Net earnings (loss) from continuing operations	\$ (1.81)	\$.58
Net earnings from discontinued operations	\$.07	\$.06
Net earnings (loss)	\$ (1.74)	\$.64
Weighted average number of common shares outstanding:		
Basic	651	649
Diluted	651	651

See notes to consolidated financial statements.

PARAMOUNT GLOBAL AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Unaudited; in millions)

	Three Months Ended	
	March 31,	
	2023	2022
Net earnings (loss) (Paramount and noncontrolling interests)	\$ (1,112)	\$ 441
Other comprehensive income (loss), net of tax:		
Cumulative translation adjustments	53	(40)
Decrease to net actuarial loss and prior service costs	11	16
Other comprehensive income (loss) from continuing operations, net of tax (Paramount and noncontrolling interests)	64	(24)
Other comprehensive income from discontinued operations	2	2
Comprehensive income (loss)	(1,046)	419
Less: Comprehensive income attributable to noncontrolling interests	7	8
Comprehensive income (loss) attributable to Paramount	\$ (1,053)	\$ 411

See notes to consolidated financial statements.

PARAMOUNT GLOBAL AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(Unaudited; in millions, except per share amounts)

	At March 31, 2023	At December 31, 2022
ASSETS		
Current Assets:		
Cash and cash equivalents	\$ 2,109	\$ 2,885
Receivables, net	7,448	7,412
Programming and other inventory	1,085	1,342
Prepaid expenses and other current assets	1,364	1,308
Current assets of discontinued operations	651	787
Total current assets	12,657	13,734
Property and equipment, net	1,718	1,762
Programming and other inventory	15,692	16,278
Goodwill	16,511	16,499
Intangible assets, net	2,688	2,694
Operating lease assets	1,363	1,391
Deferred income tax assets, net	1,286	1,242
Other assets	3,848	3,991
Assets of discontinued operations	798	802
Total Assets	\$ 56,561	\$ 58,393
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	\$ 1,235	\$ 1,403
Accrued expenses	1,760	2,071
Participants' share and royalties payable	2,421	2,416
Accrued programming and production costs	2,425	2,063
Deferred revenues	1,092	973
Debt	240	239
Other current liabilities	1,642	1,477
Current liabilities of discontinued operations	480	549
Total current liabilities	11,295	11,191
Long-term debt	15,613	15,607
Participants' share and royalties payable	1,665	1,744
Pension and postretirement benefit obligations	1,454	1,458
Deferred income tax liabilities, net	668	1,077
Operating lease liabilities	1,398	1,428
Program rights obligations	326	367
Other liabilities	1,603	1,715
Liabilities of discontinued operations	196	200
Commitments and contingencies (Note 13)		
Paramount stockholders' equity:		
5.75% Series A Mandatory Convertible Preferred Stock, par value \$.001 per share; 25 shares authorized; 10 (2023 and 2022) shares issued	—	—
Class A Common Stock, par value \$.001 per share; 55 shares authorized; 41 (2023 and 2022) shares issued	—	—
Class B Common Stock, par value \$.001 per share; 5,000 shares authorized; 1,113 (2023) and 1,112 (2022) shares issued	1	1
Additional paid-in capital	33,087	33,063
Treasury stock, at cost; 503 (2023 and 2022) shares of Class B Common Stock	(22,958)	(22,958)
Retained earnings	13,463	14,737
Accumulated other comprehensive loss	(1,742)	(1,807)
Total Paramount stockholders' equity	21,851	23,036
Noncontrolling interests	492	570
Total Equity	22,343	23,606
Total Liabilities and Equity	\$ 56,561	\$ 58,393

See notes to consolidated financial statements.

PARAMOUNT GLOBAL AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited; in millions)

	Three Months Ended March 31,	
	2023	2022
Operating Activities:		
Net earnings (loss) (Paramount and noncontrolling interests)	\$ (1,112)	\$ 441
Less: Net earnings from discontinued operations, net of tax	45	42
Net earnings (loss) from continuing operations	(1,157)	399
Adjustments to reconcile net earnings (loss) from continuing operations to net cash flow (used for) provided by operating activities from continuing operations:		
Depreciation and amortization	100	96
Programming charges	1,674	—
Deferred tax benefit	(436)	(62)
Stock-based compensation	39	36
Gain on dispositions	—	(15)
Loss on extinguishment of debt	—	73
Equity in loss of investee companies, net of tax	75	37
Change in assets and liabilities	(778)	(269)
Net cash flow (used for) provided by operating activities from continuing operations	(483)	295
Net cash flow provided by operating activities from discontinued operations	105	102
Net cash flow (used for) provided by operating activities	(378)	397
Investing Activities:		
Investments	(43)	(59)
Capital expenditures	(71)	(52)
Other investing activities	25	31
Net cash flow used for investing activities	(89)	(80)
Financing Activities:		
Proceeds from issuance of notes and debentures	—	991
Repayment of notes and debentures	—	(2,001)
Dividends paid on preferred stock	(14)	(14)
Dividends paid on common stock	(166)	(158)
Payment of payroll taxes in lieu of issuing shares for stock-based compensation	(16)	(9)
Payments to noncontrolling interests	(89)	(77)
Other financing activities	(27)	(3)
Net cash flow used for financing activities	(312)	(1,271)
Effect of exchange rate changes on cash and cash equivalents	3	(11)
Net decrease in cash and cash equivalents	(776)	(965)
Cash and cash equivalents at beginning of year	2,885	6,267
Cash and cash equivalents at end of period	\$ 2,109	\$ 5,302

See notes to consolidated financial statements.

PARAMOUNT GLOBAL AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(Unaudited; in millions)

Three Months Ended March 31, 2023																				
	Preferred Stock			Class A and B Common Stock		Additional Paid-In Capital	Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Loss	Total Paramount Stockholders' Equity	Noncontrolling Interests	Total Equity								
	(Shares)			(Shares)																
December 31, 2022	10	\$	—	650	\$	1	\$	33,063	\$	(22,958)	\$	14,737	\$	(1,807)	\$	23,036	\$	570	\$	23,606
Stock-based compensation activity and other	—		—	1		—		24		—		19		—		43		—		43
Preferred stock dividends	—		—	—		—		—		—		(14)		—		(14)		—		(14)
Common stock dividends	—		—	—		—		—		—		(161)		—		(161)		—		(161)
Noncontrolling interests	—		—	—		—		—		—		—		—		—		(85)		(85)
Net earnings (loss)	—		—	—		—		—		—		(1,118)		—		(1,118)		6		(1,112)
Other comprehensive income	—		—	—		—		—		—		65		65		65		1		66
March 31, 2023	10	\$	—	651	\$	1	\$	33,087	\$	(22,958)	\$	13,463	\$	(1,742)	\$	21,851	\$	492	\$	22,343

Three Months Ended March 31, 2022																				
	Preferred Stock			Class A and B Common Stock		Additional Paid-In Capital	Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Loss	Total Paramount Stockholders' Equity	Noncontrolling Interests	Total Equity								
	(Shares)			(Shares)																
December 31, 2021	10	\$	—	648	\$	1	\$	32,918	\$	(22,958)	\$	14,343	\$	(1,902)	\$	22,402	\$	568	\$	22,970
Stock-based compensation activity	—		—	1		—		28		—		—		—		28		—		28
Preferred stock dividends	—		—	—		—		—		—		(14)		—		(14)		—		(14)
Common stock dividends	—		—	—		—		—		—		(159)		—		(159)		—		(159)
Noncontrolling interests	—		—	—		—		—		—		(4)		—		(4)		(83)		(87)
Net earnings	—		—	—		—		—		—		433		—		433		8		441
Other comprehensive loss	—		—	—		—		—		—		(22)		(22)		(22)		—		(22)
March 31, 2022	10	\$	—	649	\$	1	\$	32,946	\$	(22,958)	\$	14,599	\$	(1,924)	\$	22,664	\$	493	\$	23,157

See notes to consolidated financial statements.

PARAMOUNT GLOBAL AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Tabular dollars in millions, except per share amounts)

1) BASIS OF PRESENTATION

Description of Business—Paramount Global, a global media, streaming and entertainment company that creates premium content and experiences for audiences worldwide, is comprised of the following segments:

- *TV Media*—Our *TV Media* segment consists of our (1) broadcast operations—the CBS Television Network, our domestic broadcast television network; CBS Stations, our owned television stations; and our international free-to-air networks, Network 10, Channel 5, Telefe, and Chilevisión; (2) premium and basic cable networks, including Showtime, MTV, Comedy Central, Paramount Network, The Smithsonian Channel, Nickelodeon, BET Media Group, CBS Sports Network, and international extensions of certain of these brands; (3) domestic and international television studio operations, including CBS Studios, Paramount Television Studios and MTV Entertainment Studios, as well as CBS Media Ventures, which produces and distributes first-run syndicated programming. *TV Media* also includes a number of digital properties such as CBS News Streaming and CBS Sports HQ.
- *Direct-to-Consumer*—Our *Direct-to-Consumer* segment consists of our portfolio of domestic and international pay and free streaming services, including Paramount+, Pluto TV, Showtime Networks' premium subscription streaming service (Showtime OTT), BET+ and Noggin.
- *Filmed Entertainment*—Our *Filmed Entertainment* segment consists of Paramount Pictures, Paramount Players, Paramount Animation, Nickelodeon Studio, Awesomeness and Miramax.

In January 2023, we announced that we will be fully integrating Showtime into Paramount+ across both streaming and linear platforms later in the year.

References to “Paramount,” the “Company,” “we,” “us” and “our” refer to Paramount Global and its consolidated subsidiaries, unless the context otherwise requires.

Basis of Presentation—The accompanying unaudited consolidated financial statements have been prepared on a basis consistent with accounting principles generally accepted in the United States (“GAAP”) for interim financial information and pursuant to the rules of the Securities and Exchange Commission (SEC). These financial statements should be read in conjunction with the more detailed financial statements and notes thereto included in our Annual Report on Form 10-K for the year ended December 31, 2022.

In the opinion of management, the accompanying unaudited consolidated financial statements reflect all adjustments, consisting only of normal and recurring adjustments, necessary for a fair statement of our financial position, results of operations and cash flows for the periods presented. Certain previously reported amounts have been reclassified to conform to the current presentation.

Discontinued Operations—In the fourth quarter of 2020, we entered into an agreement to sell our publishing business, Simon & Schuster, which was previously reported as the *Publishing* segment and as a result, we began presenting Simon and Schuster as a discontinued operation. In the fourth quarter of 2022, we terminated the agreement after the U.S. Department of Justice prevailed in its suit to block the sale. Simon & Schuster remains a noncore asset as it does not fit strategically within our video-based portfolio. We expect to enter into a new agreement to sell Simon & Schuster in 2023. Assuming that we do so, closing would be subject to closing conditions that would include regulatory approval. Simon & Schuster continues to be presented as a discontinued operation for all periods presented (see Note 2).

PARAMOUNT GLOBAL AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Tabular dollars in millions, except per share amounts)

Use of Estimates—The preparation of our consolidated financial statements in conformity with GAAP requires management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenues and expenses during the periods presented. We base our estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may vary from these estimates under different assumptions or conditions.

Net Earnings (Loss) per Common Share—Basic net earnings (loss) per share (“EPS”) is based upon net earnings (loss) available to common stockholders divided by the weighted average number of common shares outstanding during the period. Net earnings (loss) available to common stockholders is calculated as net earnings (loss) from continuing operations or net earnings (loss), as applicable, adjusted to include a reduction for dividends recorded during the applicable period on our 5.75% Series A Mandatory Convertible Preferred Stock (“Mandatory Convertible Preferred Stock”).

Weighted average shares for diluted EPS reflects the effect of the assumed exercise of stock options and vesting of restricted share units (“RSUs”) or performance share units (“PSUs”) only in the periods in which such effect would have been dilutive. Diluted EPS also reflects the effect of the assumed conversion of preferred stock, if dilutive, which includes the issuance of common shares in the weighted average number of shares and excludes the above-mentioned preferred stock dividend adjustment to net earnings (loss) available to common stockholders.

For the three months ended March 31, 2023, stock options and RSUs of 21 million were excluded from the calculation of diluted EPS because their inclusion would have been antidilutive since we reported a net loss. For the three months ended March 31, 2022, stock options and RSUs of 6 million were excluded from the calculation of diluted EPS because their inclusion would have been antidilutive. Also excluded from the calculation of diluted EPS for each period was the effect of the assumed conversion of 10 million shares of Mandatory Convertible Preferred Stock into shares of common stock because the impact would have been antidilutive. The table below presents a reconciliation of weighted average shares used in the calculation of basic and diluted EPS.

(in millions)	Three Months Ended March 31,	
	2023	2022
Weighted average shares for basic EPS	651	649
Dilutive effect of shares issuable under stock-based compensation plans	—	2
Weighted average shares for diluted EPS	651	651

PARAMOUNT GLOBAL AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Tabular dollars in millions, except per share amounts)

Additionally, because the impact of the assumed conversion of the Mandatory Convertible Preferred Stock would have been antidilutive, net earnings (loss) from continuing operations and net earnings (loss) used in our calculation of diluted EPS for the three months ended March 31, 2023 and 2022 include a reduction for the preferred stock dividends recorded during each period. The table below presents a reconciliation of net earnings (loss) from continuing operations and net earnings (loss) to the amounts used in the calculations of basic and diluted EPS.

	Three Months Ended	
	March 31,	
	2023	2022
Amounts attributable to Paramount:		
Net earnings (loss) from continuing operations	\$ (1,163)	\$ 391
Preferred stock dividends	(14)	(14)
Net earnings (loss) from continuing operations for basic and diluted EPS calculation	\$ (1,177)	\$ 377
Amounts attributable to Paramount:		
Net earnings (loss)	\$ (1,118)	\$ 433
Preferred stock dividends	(14)	(14)
Net earnings (loss) for basic and diluted EPS calculation	\$ (1,132)	\$ 419

2) DISCONTINUED OPERATIONS

The following table sets forth details of net earnings from discontinued operations for the three months ended March 31, 2023 and 2022, which primarily reflects the results of Simon & Schuster (See Note 1).

	Three Months Ended	
	March 31,	
	2023	2022
Revenues	\$ 258	\$ 217
Costs and expenses:		
Operating	151	124
Selling, general and administrative	45	38
Total costs and expenses ^(a)	196	162
Operating income	62	55
Other items, net	(3)	(1)
Earnings from discontinued operations	59	54
Provision for income taxes ^(b)	(14)	(12)
Net earnings from discontinued operations, net of tax	\$ 45	\$ 42

(a) Included in total costs and expenses are amounts associated with the release of indemnification obligations for leases relating to a previously disposed business of \$4 million and \$5 million for the three months ended March 31, 2023 and 2022, respectively.

(b) The tax provision includes amounts relating to previously disposed businesses of \$1 million for each of the three months ended March 31, 2023 and 2022.

PARAMOUNT GLOBAL AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Tabular dollars in millions, except per share amounts)

The following table presents the major classes of assets and liabilities of our discontinued operations.

	At March 31, 2023	At December 31, 2022
Receivables, net	\$ 419	\$ 558
Other current assets	232	229
Goodwill	434	434
Property and equipment, net	53	53
Operating lease assets	204	204
Other assets	107	111
Total Assets	\$ 1,449	\$ 1,589
Royalties payable	\$ 160	\$ 161
Other current liabilities	320	388
Operating lease liabilities	179	182
Other liabilities	17	18
Total Liabilities	\$ 676	\$ 749

3) PROGRAMMING AND OTHER INVENTORY

The following table presents our programming and other inventory at March 31, 2023 and December 31, 2022, grouped by type and predominant monetization strategy.

	At March 31, 2023	At December 31, 2022
Film Group Monetization:		
Acquired program rights, including prepaid sports rights	\$ 2,899	\$ 3,238
Internally-produced television and film programming:		
Released	6,965	7,154
In process and other	2,690	3,299
Individual Monetization:		
Acquired libraries	382	394
Film inventory:		
Released	720	694
Completed, not yet released	47	129
In process and other	1,588	1,317
Internally-produced television programming:		
Released	759	624
In process and other	683	726
Home entertainment	44	45
Total programming and other inventory	16,777	17,620
Less current portion	1,085	1,342
Total noncurrent programming and other inventory	\$ 15,692	\$ 16,278

PARAMOUNT GLOBAL AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Tabular dollars in millions, except per share amounts)

The following table presents amortization of our television and film programming and production costs, which is included within “Operating expenses” on the Consolidated Statements of Operations.

	Three Months Ended March 31,	
	2023	2022
Programming costs, acquired programming	\$ 1,414	\$ 1,496
Production costs, internally-produced television and film programming:		
Individual monetization	\$ 396	\$ 491
Film group monetization	\$ 1,368	\$ 1,147

Programming Charges

During the first quarter of 2023, in connection with our plan to integrate Showtime into Paramount+ across both streaming and linear platforms, we performed a comprehensive strategic review of the combined content portfolio of Showtime and Paramount+. We also reviewed our international content portfolio in connection with initiatives to rationalize and right-size our international operations to align with our streaming strategy, and close or globalize certain of our international channels. Following these reviews, we determined that we would not use certain content on our platforms, which resulted in the removal or abandonment of content, the write-off of development costs, and the termination of programming agreements during the quarter. Accordingly, we recorded charges totaling \$1.67 billion on the Consolidated Statement of Operations for the three months ended March 31, 2023. The charges are comprised of \$1.45 billion for the impairment of content to its estimated fair value, which included assumptions for estimated secondary market licensing revenues, if any, as well as \$225 million for development cost write-offs and contract termination costs.

4) RELATED PARTIES

National Amusements, Inc.

National Amusements, Inc. (“NAI”) is the controlling stockholder of the Company. At March 31, 2023, NAI directly or indirectly owned approximately 77.4% of our voting Class A Common Stock and approximately 9.7% of our Class A Common Stock and non-voting Class B Common Stock on a combined basis. NAI is controlled by the Sumner M. Redstone National Amusements Part B General Trust (the “General Trust”), which owns 80% of the voting interest of NAI and acts by majority vote of seven voting trustees (subject to certain exceptions), including with respect to the NAI shares held by the General Trust. Shari E. Redstone, Chairperson, CEO and President of NAI and non-executive Chair of our Board of Directors, is one of the seven voting trustees for the General Trust and is one of two voting trustees who are beneficiaries of the General Trust. No member of our management or other member of our Board of Directors is a trustee of the General Trust.

PARAMOUNT GLOBAL AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Tabular dollars in millions, except per share amounts)

Other Related Parties

In the ordinary course of business, we are involved in transactions with our equity-method investees, primarily for the licensing of television and film programming. The following tables present the amounts recorded in our consolidated financial statements related to these transactions.

	Three Months Ended	
	March 31,	
	2023 ^(a)	2022
Revenues	\$ 108	\$ 54
Operating expenses	\$ 4	\$ 5

(a) The increase in revenues for the three months ended March 31, 2023 relates to the SkyShowtime streaming service, which launched in September 2022.

	At	At
	March 31, 2023	December 31, 2022
Accounts receivable	\$ 237	\$ 198

Through the normal course of business, we are involved in other transactions with related parties that have not been material in any of the periods presented.

5) REVENUES

The table below presents our revenues disaggregated into categories based on the nature of such revenues. See Note 12 for revenues by segment disaggregated into these categories.

	Three Months Ended	
	March 31,	
	2023	2022
Revenues by Type:		
Advertising	\$ 2,651	\$ 2,864
Affiliate and subscription	3,179	2,840
Theatrical	127	131
Licensing and other	1,308	1,493
Total Revenues	\$ 7,265	\$ 7,328

Receivables

Reserves for accounts receivable reflect our expected credit losses based on historical experience as well as current and expected economic conditions. At March 31, 2023 and December 31, 2022, our allowance for credit losses was \$109 million and \$111 million, respectively.

Included in "Other assets" on the Consolidated Balance Sheets are noncurrent receivables of \$1.51 billion and \$1.61 billion at March 31, 2023 and December 31, 2022, respectively. Noncurrent receivables primarily relate to revenues recognized under long-term content licensing arrangements. Revenues from the licensing of content are recognized at the beginning of the license period in which programs are made available to the licensee for exhibition, while the related cash is generally collected over the term of the license period.

PARAMOUNT GLOBAL AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Tabular dollars in millions, except per share amounts)

Contract Liabilities

Contract liabilities are included within “Deferred revenues” and “Other liabilities” on the Consolidated Balance Sheets and were \$1.16 billion and \$1.06 billion at March 31, 2023 and December 31, 2022, respectively. We recognized revenues of \$0.3 billion and \$0.4 billion for the three months ended March 31, 2023 and 2022, respectively, that were included in the opening balance of deferred revenues for the respective year.

Unrecognized Revenues Under Contract

At March 31, 2023, unrecognized revenues attributable to unsatisfied performance obligations under our long-term contracts were approximately \$9 billion, of which \$3 billion is expected to be recognized during the remainder of 2023, \$2 billion in 2024, \$1 billion in 2025, and \$3 billion thereafter. These amounts only include contracts subject to a guaranteed fixed amount or the guaranteed minimum under variable contracts, primarily consisting of television and film licensing contracts and affiliate agreements that are subject to a fixed or guaranteed minimum fee. Such amounts change on a regular basis as we renew existing agreements or enter into new agreements. Unrecognized revenues under contracts disclosed above do not include (i) contracts with an original expected term of one year or less, mainly consisting of advertising contracts, (ii) contracts for which variable consideration is determined based on the customer’s subsequent sale or usage, mainly consisting of affiliate agreements and (iii) long-term licensing agreements for multiple programs for which variable consideration is determined based on the value of the programs delivered to the customer and our right to invoice corresponds with the value delivered.

Performance Obligations Satisfied in Previous Periods

Under certain licensing arrangements, the amount and timing of our revenue recognition is determined based on our licensees’ subsequent sale to its end customers. As a result, under such arrangements we often satisfy our performance obligation of delivery of our content in advance of revenue recognition. We recognized revenues of \$0.1 billion and \$0.2 billion for the three months ended March 31, 2023 and 2022, respectively, from arrangements for the licensing of our content, including from distributors of transactional video-on-demand and electronic sell-through services and other licensing arrangements, as well as from the theatrical distribution of our films, for which our performance obligation was satisfied in a prior period.

PARAMOUNT GLOBAL AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Tabular dollars in millions, except per share amounts)

6) DEBT

Our debt consists of the following:

	At March 31, 2023	At December 31, 2022
7.875% Debentures due 2023	\$ 139	\$ 139
7.125% Senior Notes due 2023	35	35
4.75% Senior Notes due 2025	553	552
4.0% Senior Notes due 2026	795	795
3.45% Senior Notes due 2026	124	124
2.90% Senior Notes due 2027	694	694
3.375% Senior Notes due 2028	496	496
3.70% Senior Notes due 2028	494	494
4.20% Senior Notes due 2029	495	495
7.875% Senior Debentures due 2030	830	830
4.95% Senior Notes due 2031	1,227	1,226
4.20% Senior Notes due 2032	975	975
5.50% Senior Debentures due 2033	427	427
4.85% Senior Debentures due 2034	87	87
6.875% Senior Debentures due 2036	1,071	1,071
6.75% Senior Debentures due 2037	75	75
5.90% Senior Notes due 2040	298	298
4.50% Senior Debentures due 2042	45	45
4.85% Senior Notes due 2042	489	488
4.375% Senior Debentures due 2043	1,132	1,130
4.875% Senior Debentures due 2043	18	18
5.85% Senior Debentures due 2043	1,234	1,233
5.25% Senior Debentures due 2044	345	345
4.90% Senior Notes due 2044	541	541
4.60% Senior Notes due 2045	590	590
4.95% Senior Notes due 2050	946	946
6.25% Junior Subordinated Debentures due 2057	643	643
6.375% Junior Subordinated Debentures due 2062	989	989
Other bank borrowings	58	55
Obligations under finance leases	8	10
Total debt ^(a)	15,853	15,846
Less current portion	240	239
Total long-term debt, net of current portion	\$ 15,613	\$ 15,607

(a) At March 31, 2023 and December 31, 2022, the senior and junior subordinated debt balances included (i) a net unamortized discount of \$437 million and \$442 million, respectively, and (ii) unamortized deferred financing costs of \$88 million and \$89 million, respectively. The face value of our total debt was \$16.38 billion at both March 31, 2023 and December 31, 2022.

During the first quarter of 2022, we redeemed \$1.42 billion of senior notes, prior to maturity, for an aggregate redemption price of \$1.48 billion and \$520 million of 5.875% junior subordinated debentures due February 2057 at par. These redemptions resulted in a total pre-tax loss on extinguishment of debt of \$73 million.

During the first quarter of 2022, we also issued \$1.00 billion of 6.375% junior subordinated debentures due 2062.

Commercial Paper

At both March 31, 2023 and December 31, 2022, we had no outstanding commercial paper borrowings.

PARAMOUNT GLOBAL AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Tabular dollars in millions, except per share amounts)

Credit Facility

In March 2023, we amended and extended our \$3.50 billion revolving credit facility (the “Credit Facility”), which now matures in January 2027 (the “2023 Amendment”). The Credit Facility is used for general corporate purposes and to support commercial paper borrowings, if any. We may, at our option, also borrow in certain foreign currencies up to specified limits under the Credit Facility. Borrowing rates under the Credit Facility are determined at the time of each borrowing and are generally based on either the prime rate in the U.S. or an applicable benchmark rate plus a margin (based on our senior unsecured debt rating), depending on the type and tenor of the loans entered into. Under the 2023 Amendment, we replaced LIBOR as the benchmark rate for loans denominated in U.S. dollars with Term SOFR. The benchmark rate for loans denominated in euros, sterling and yen is based on EURIBOR, SONIA and TIBOR, respectively. The Credit Facility was also amended to include a provision that the occurrence of a Change of Control (as defined in the amended credit agreement) of Paramount will be an event of default that would give the lenders the right to accelerate any outstanding loans and terminate their commitments. At March 31, 2023, we had no borrowings outstanding under the Credit Facility and the remaining availability under the Credit Facility, net of outstanding letters of credit, was \$3.50 billion.

The Credit Facility has one principal financial covenant which sets a maximum Consolidated Total Leverage Ratio (“Leverage Ratio”) at the end of each quarter, which prior to the 2023 Amendment was 4.5x. Under the 2023 Amendment, the maximum Leverage Ratio was increased to 5.75x for each quarter through and including the quarter ending September 30, 2024, and will then decrease to 5.5x for the quarters ending December 31, 2024 and March 31, 2025, with decreases of 0.25x for each subsequent quarter until it reaches 4.5x for the quarter ending March 31, 2026. The Leverage Ratio reflects the ratio of our Consolidated Indebtedness, net of unrestricted cash and cash equivalents at the end of a quarter, to our Consolidated EBITDA (each as defined in the amended credit agreement) for the trailing twelve-month period. Under the 2023 Amendment, the definition of the Leverage Ratio was also modified to set the maximum amount of unrestricted cash and cash equivalents that can be netted against Consolidated Indebtedness to \$1.50 billion for quarters ending on or after September 30, 2024. In addition, under the 2023 Amendment, Simon & Schuster shall be treated as a continuing operation for the purposes of calculating Consolidated EBITDA until its disposition. We met the covenant as of March 31, 2023.

Other Bank Borrowings

At March 31, 2023 and December 31, 2022, we had bank borrowings under Miramax’s \$300 million credit facility, which matured in April 2023, of \$58 million and \$55 million, respectively, with weighted average interest rates of 7.48% and 7.09%, respectively.

7) FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENTS

The carrying value of our financial instruments approximates fair value, except for notes and debentures. At March 31, 2023 and December 31, 2022, the carrying value of our outstanding notes and debentures was \$15.79 billion and \$15.78 billion, respectively, and the fair value, which is determined based on quoted prices in active markets (Level 1 in the fair value hierarchy) was \$14.2 billion and \$13.9 billion, respectively.

Investments

The carrying value of our investments without a readily determinable fair value for which we have no significant influence was \$72 million and \$70 million at March 31, 2023 and December 31, 2022, respectively. These investments are included in “Other assets” on the Consolidated Balance Sheets.

PARAMOUNT GLOBAL AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Tabular dollars in millions, except per share amounts)

In April 2023, our ownership of Viacom18 was diluted from 49% to 13% as a result of investment by other investors. Accordingly, we will no longer account for this investment under the equity-method. The difference between the carrying value of our 49% interest and the fair value of our 13% interest, as indicated by the additional investments, will be recognized as a noncash gain of approximately \$160 million during the second quarter of 2023.

Foreign Exchange Contracts

We use derivative financial instruments primarily to manage our exposure to market risks from fluctuations in foreign currency exchange rates. We do not use derivative instruments unless there is an underlying exposure and, therefore, we do not hold or enter into derivative financial instruments for speculative trading purposes.

Foreign exchange forward contracts have principally been used to hedge projected cash flows, in currencies such as the British pound, the euro, the Canadian dollar and the Australian dollar, generally for periods up to 24 months. We designate foreign exchange forward contracts used to hedge committed and forecasted foreign currency transactions as cash flow hedges. Additionally, we enter into non-designated forward contracts to hedge non-U.S. dollar denominated cash flows.

At March 31, 2023 and December 31, 2022, the notional amount of all foreign exchange contracts was \$3.45 billion and \$3.06 billion, respectively. At March 31, 2023, \$2.86 billion related to future production costs and \$588 million related to our foreign currency balances and other expected foreign currency cash flows. At December 31, 2022, \$2.40 billion related to future production costs and \$655 million related to our foreign currency balances and other expected foreign currency cash flows.

Gains recognized on derivative financial instruments were as follows:

	Three Months Ended March 31,		
	2023	2022	Financial Statement Account
Non-designated foreign exchange contracts	\$ 1	\$ 2	Other items, net

PARAMOUNT GLOBAL AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Tabular dollars in millions, except per share amounts)

Fair Value Measurements

The table below presents our assets and liabilities measured at fair value on a recurring basis at March 31, 2023 and December 31, 2022. These assets and liabilities have been categorized according to the three-level fair value hierarchy established by the Financial Accounting Standards Board (“FASB”), which prioritizes the inputs used in measuring fair value. Level 1 is based on publicly quoted prices for the asset or liability in active markets. Level 2 is based on inputs that are observable other than quoted market prices in active markets, such as quoted prices for the asset or liability in inactive markets or quoted prices for similar assets or liabilities. Level 3 is based on unobservable inputs reflecting our own assumptions about the assumptions that market participants would use in pricing the asset or liability. All of our assets and liabilities that are measured at fair value on a recurring basis use level 2 inputs. The fair value of foreign currency hedges is determined based on the present value of future cash flows using observable inputs including foreign currency exchange rates. The fair value of deferred compensation liabilities is determined based on the fair value of the investments elected by employees.

	At March 31, 2023	At December 31, 2022
Assets:		
Foreign currency hedges	\$ 37	\$ 39
Total Assets	\$ 37	\$ 39
Liabilities:		
Deferred compensation	\$ 340	\$ 336
Foreign currency hedges	76	83
Total Liabilities	\$ 416	\$ 419

During the first quarter of 2023, we recorded programming charges of \$1.67 billion, including \$1.45 billion for the impairment of content to its estimated fair value, which included assumptions for estimated secondary market licensing revenues, if any (Level 3). See Note 3.

8) VARIABLE INTEREST ENTITIES

In the normal course of business, we enter into joint ventures or make investments with business partners that support our underlying business strategy and provide us the ability to enter new markets to expand the reach of our brands, develop new programming and/or distribute our existing content. In certain instances, an entity in which we make an investment may qualify as a variable interest entity (“VIE”). In determining whether we are the primary beneficiary of a VIE, we assess whether we have the power to direct matters that most significantly impact the activities of the VIE, and have the obligation to absorb losses or the right to receive benefits from the VIE that could potentially be significant to the VIE.

The following tables present the amounts recorded in our consolidated financial statements related to our consolidated VIEs.

	At March 31, 2023	At December 31, 2022
Total assets	\$ 2,102	\$ 1,961
Total liabilities	\$ 391	\$ 328

PARAMOUNT GLOBAL AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Tabular dollars in millions, except per share amounts)

	Three Months Ended	
	March 31,	
	2023	2022
Revenues	\$ 145	\$ 103
Operating loss	\$ (31)	\$ (28)

9) STOCKHOLDERS' EQUITY

Dividends

We declared a quarterly cash dividend of \$.24 per share on our Class A and Class B Common Stock during each of the three-month periods ended March 31, 2023 and 2022, resulting in total dividends of \$161 million and \$159 million, respectively.

We declared a quarterly cash dividend of \$1.4375 per share on our Mandatory Convertible Preferred Stock during each of the three-month periods ended March 31, 2023 and 2022, resulting in total dividends of \$14.4 million for each of the respective periods.

Accumulated Other Comprehensive Income (Loss)

The following tables summarize the changes in the components of accumulated other comprehensive loss.

	Continuing Operations		Discontinued Operations	
	Cumulative Translation Adjustments	Net Actuarial Loss and Prior Service Cost	Other Comprehensive Income (Loss) ^(a)	Accumulated Other Comprehensive Loss
At December 31, 2022	\$ (680)	\$ (1,097)	\$ (30)	\$ (1,807)
Other comprehensive income before reclassifications	52	—	2	54
Reclassifications to net loss	—	11 ^(b)	—	11
Other comprehensive income	52	11	2	65
At March 31, 2023	\$ (628)	\$ (1,086)	\$ (28)	\$ (1,742)

	Continuing Operations		Discontinued Operations	
	Cumulative Translation Adjustments	Net Actuarial Loss and Prior Service Cost	Other Comprehensive Income (Loss) ^(a)	Accumulated Other Comprehensive Loss
At December 31, 2021	\$ (445)	\$ (1,434)	\$ (23)	\$ (1,902)
Other comprehensive income (loss) before reclassifications	(40)	—	2	(38)
Reclassifications to net earnings	—	16 ^(b)	—	16
Other comprehensive income (loss)	(40)	16	2	(22)
At March 31, 2022	\$ (485)	\$ (1,418)	\$ (21)	\$ (1,924)

(a) Reflects cumulative translation adjustments.

(b) Reflects amortization of net actuarial losses (see Note 11).

PARAMOUNT GLOBAL AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Tabular dollars in millions, except per share amounts)

The net actuarial loss and prior service cost related to pension and other postretirement benefit plans included in other comprehensive income (loss) is net of a tax benefit of \$4 million and \$5 million for the three months ended March 31, 2023 and 2022, respectively.

10) INCOME TAXES

The provision (benefit) for income taxes represents federal, state and local, and foreign taxes on earnings (loss) from continuing operations before income taxes and equity in loss of investee companies. For the three months ended March 31, 2023, we recorded a benefit for income taxes of \$381 million, reflecting an effective income tax rate of 26.0%. The income tax benefit in the first quarter of 2023 is the result of a tax benefit of \$409 million on programming charges of \$1.67 billion recorded during the period and a net discrete tax benefit of \$30 million, principally from the resolution of an income tax matter in a foreign jurisdiction. Together these items reduced our effective income tax rate by 1.5 percentage points.

For the three months ended March 31, 2022, we recorded a provision for income taxes of \$34 million, reflecting an effective income tax rate of 7.2%. Included in the provision for income taxes for the three months ended March 31, 2022 is a net discrete tax benefit of \$78 million primarily resulting from the transfer of intangible assets between our subsidiaries in connection with a reorganization of our international operations. This item, together with a net tax benefit of \$25 million on other items identified as affecting the comparability of our results during the period (which include a loss on extinguishment of debt, restructuring and other corporate matters, and a gain on dispositions) reduced our effective income tax rate by 16.2 percentage points.

The Company and its subsidiaries file income tax returns with the Internal Revenue Service (“IRS”) and various state and local and foreign jurisdictions. For periods prior to the merger of Viacom Inc. (“Viacom”) with and into CBS Corporation (“CBS”) (the “Merger”), Viacom and CBS filed separate tax returns. For CBS, we are currently under examination by the IRS for the 2017 and 2018 tax years. For Viacom, we are currently under examination by the IRS for the 2016 through 2019 tax years. For tax returns filed as a merged company, we are currently under examination by the IRS for the 2019 tax year. Various tax years are also currently under examination by state and local and foreign tax authorities. With respect to open tax years in all jurisdictions, we currently do not believe that it is reasonably possible that the reserve for uncertain tax positions will significantly change within the next 12 months; however, it is difficult to predict the final outcome or timing of resolution of any particular tax matter and events could cause our current expectation to change in the future.

11) PENSION AND OTHER POSTRETIREMENT BENEFITS

The following table presents the components of net periodic cost for our pension and postretirement benefit plans.

Three Months Ended March 31,	Pension Benefits		Postretirement Benefits	
	2023	2022	2023	2022
Components of net periodic cost ^(a) :				
Interest cost	\$ 51	\$ 38	\$ 3	\$ 2
Expected return on plan assets	(32)	(43)	—	—
Amortization of actuarial loss (gain) ^(b)	21	24	(4)	(3)
Net periodic cost	\$ 40	\$ 19	\$ (1)	\$ (1)

(a) Amounts reflect our domestic plans only.

(b) Reflects amounts reclassified from accumulated other comprehensive loss to net earnings (loss).

PARAMOUNT GLOBAL AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Tabular dollars in millions, except per share amounts)

12) SEGMENT INFORMATION

The tables below set forth our financial information by reportable segment. Our operating segments, which are the same as our reportable segments, have been determined in accordance with our internal management structure, which is organized based upon products and services.

	Three Months Ended March 31,	
	2023	2022
Revenues:		
Advertising	\$ 2,256	\$ 2,521
Affiliate and subscription	2,067	2,098
Licensing and other	870	1,026
TV Media	5,193	5,645
Advertising	398	347
Subscription	1,112	742
Direct-to-Consumer	1,510	1,089
Advertising	5	2
Theatrical	127	131
Licensing and other	456	491
Filmed Entertainment	588	624
Eliminations	(26)	(30)
Total Revenues	\$ 7,265	\$ 7,328

Revenues generated between segments are principally from intersegment arrangements for the distribution of content, rental of studio space, and advertising, as well as licensing revenues earned from third parties who license our content to our internal platforms either through a sub-license or co-production arrangement. These transactions are recorded at market value as if the sales were to third parties and are eliminated in consolidation. For content that is licensed between segments, content costs are allocated across segments based on the relative value of the distribution windows within each segment. Accordingly, no intersegment licensing revenues or profits are recorded by the licensor segment.

	Three Months Ended March 31,	
	2023	2022
Intercompany Revenues:		
TV Media	\$ 13	\$ 11
Filmed Entertainment	13	19
Total Intercompany Revenues	\$ 26	\$ 30

PARAMOUNT GLOBAL AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
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We present operating income excluding depreciation and amortization, stock-based compensation, costs for restructuring and other corporate matters, programming charges and gain on dispositions, each where applicable (“Adjusted OIBDA”), as the primary measure of profit and loss for our operating segments in accordance with FASB guidance for segment reporting since it is the primary method used by our management. Stock-based compensation is excluded from our segment measure of profit and loss because it is set and approved by our Board of Directors in consultation with corporate executive management.

	Three Months Ended March 31,	
	2023	2022
Adjusted OIBDA:		
TV Media	\$ 1,306	\$ 1,544
Direct-to-Consumer	(511)	(456)
Filmed Entertainment	(99)	(37)
Corporate/Eliminations	(109)	(104)
Stock-based compensation ^(a)	(39)	(34)
Depreciation and amortization	(100)	(96)
Programming charges	(1,674)	—
Restructuring and other corporate matters	—	(57)
Gain on dispositions	—	15
Operating income (loss)	(1,226)	775
Interest expense	(226)	(240)
Interest income	35	21
Loss on extinguishment of debt	—	(73)
Other items, net	(46)	(13)
Earnings (loss) from continuing operations before income taxes and equity in loss of investee companies	(1,463)	470
Benefit (provision) for income taxes	381	(34)
Equity in loss of investee companies, net of tax	(75)	(37)
Net earnings (loss) from continuing operations	(1,157)	399
Net earnings from discontinued operations, net of tax	45	42
Net earnings (loss) (Paramount and noncontrolling interests)	(1,112)	441
Net earnings attributable to noncontrolling interests	(6)	(8)
Net earnings (loss) attributable to Paramount	\$ (1,118)	\$ 433

(a) For the three months ended March 31, 2022, stock-based compensation expense of \$2 million is included in “Restructuring and other corporate matters”.

PARAMOUNT GLOBAL AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
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13) COMMITMENTS AND CONTINGENCIES

Guarantees

Letters of Credit and Surety Bonds

At March 31, 2023, we had outstanding letters of credit and surety bonds of \$178 million that were not recorded on the Consolidated Balance Sheet. Letters of credit and surety bonds are primarily used as security against non-performance in the normal course of business.

CBS Television City

In connection with the sale of the CBS Television City property and sound stage operation (“CBS Television City”) in 2019, we guaranteed a specified level of cash flows to be generated by the business during the first five years following the completion of the sale. Included in “Other current liabilities” on the Consolidated Balance Sheet at March 31, 2023 is a liability totaling \$25 million, reflecting the present value of the remaining estimated amount payable under the guarantee obligation.

Lease Guarantees

We have certain indemnification obligations with respect to leases primarily associated with the previously discontinued operations of Famous Players Inc. These lease commitments totaled \$17 million at March 31, 2023, and are presented within “Other liabilities” on the Consolidated Balance Sheet. The amount of lease commitments varies over time depending on the expiration or termination of individual underlying leases, or the related indemnification obligation, and foreign exchange rates, among other things. We may also have exposure for certain other expenses related to the leases, such as property taxes and common area maintenance. We believe our accrual is sufficient to meet any future obligations based on our consideration of available financial information, the lessees’ historical performance in meeting their lease obligations and the underlying economic factors impacting the lessees’ business models.

Other

In the course of our business, we both provide and receive indemnities which are intended to allocate certain risks associated with business transactions. Similarly, we may remain contingently liable for various obligations of a business that has been divested in the event that a third party does not live up to its obligations under an indemnification obligation. We record a liability for our indemnification obligations and other contingent liabilities when probable and reasonably estimable.

Legal Matters

General

On an ongoing basis, we vigorously defend ourselves in numerous lawsuits and proceedings and respond to various investigations and inquiries from federal, state, local and international authorities (collectively, “Litigation”). Litigation may be brought against us without merit, is inherently uncertain and always difficult to predict. However, based on our understanding and evaluation of the relevant facts and circumstances, we believe that the following matters are not likely, in the aggregate, to result in a material adverse effect on our business, financial condition and results of operations.

PARAMOUNT GLOBAL AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Tabular dollars in millions, except per share amounts)

Stockholder Matters

Litigation Relating to the Merger

Beginning in February 2020, three purported CBS stockholders filed separate derivative and/or putative class action lawsuits in the Court of Chancery of the State of Delaware (the “Delaware Chancery Court”). In March 2020, the Delaware Chancery Court consolidated the three lawsuits and appointed Bucks County Employees Retirement Fund and International Union of Operating Engineers of Eastern Pennsylvania and Delaware as co-lead plaintiffs for the consolidated action captioned *In re CBS Corporation Stockholder Class Action and Derivative Litigation* (the “CBS Litigation”). In April 2020, the lead plaintiffs filed a Verified Consolidated Class Action and Derivative Complaint (as used in this paragraph, the “Complaint”) against Shari E. Redstone, National Amusements, Inc., Sumner M. Redstone National Amusements Trust, additional members of the CBS Board of Directors (including Candace K. Beinecke, Barbara M. Byrne, Gary L. Countryman, Linda M. Griego, Robert N. Klieger, Martha L. Minow, Susan Schuman, Frederick O. Terrell and Strauss Zelnick), former CBS President and Acting Chief Executive Officer Joseph Ianniello and the Company as nominal defendant. The Complaint alleges breaches of fiduciary duties in connection with the negotiation and approval of an Agreement and Plan of Merger, dated as of August 13, 2019, between CBS and Viacom (as amended, the “Merger Agreement”). The Complaint also alleges waste and unjust enrichment in connection with certain aspects of Mr. Ianniello’s compensation awards. The Complaint seeks unspecified damages, costs and expenses, as well as other relief. In June 2020, the defendants filed motions to dismiss the Complaint. In January 2021, the Delaware Chancery Court dismissed one disclosure claim, while allowing all other claims against the defendants to proceed. On January 7, 2022, the Delaware Chancery Court granted Bucks County Employees Retirement Fund’s motion to withdraw as a co-lead plaintiff in the CBS Litigation. In December 2022, the Delaware Chancery Court dismissed the fiduciary duty claim against Mr. Klieger.

In April 2023, the parties to the CBS Litigation agreed to settle the CBS Litigation on the terms and conditions set forth in a binding term sheet (the “CBS Term Sheet”), which will be incorporated into a long-form settlement agreement that will be subject to the final approval of the Delaware Chancery Court. The CBS Term Sheet provides for, among other things, the final dismissal of the CBS Litigation in exchange for a settlement payment to the Company in the amount of \$167.5 million, less administrative costs and plaintiffs’ counsels’ fees and expenses.

Beginning in November 2019, four purported Viacom stockholders filed separate putative class action lawsuits in the Delaware Chancery Court. In January 2020, the Delaware Chancery Court consolidated the four lawsuits. In February 2020, the Delaware Chancery Court appointed California Public Employees’ Retirement System (“CalPERS”) as lead plaintiff for the consolidated action. Subsequently, in February 2020, CalPERS, together with Park Employees’ and Retirement Board Employees’ Annuity and Benefit Fund of Chicago and Louis M. Wilen, filed a First Amended Verified Class Action Complaint (as used in this paragraph, the “Complaint”) against NAI, NAI Entertainment Holdings LLC, Shari E. Redstone, the members of the special transaction committee of the Viacom Board of Directors (comprised of Thomas J. May, Judith A. McHale, Ronald L. Nelson and Nicole Seligman) and our President and Chief Executive Officer and director, Robert M. Bakish (as used in this paragraph, the “Viacom Litigation”). The Complaint alleges breaches of fiduciary duties to Viacom stockholders in connection with the negotiation and approval of the Merger Agreement. The Complaint seeks unspecified damages, costs and expenses, as well as other relief. In May 2020, the defendants filed motions to dismiss. In December 2020, the Delaware Chancery Court dismissed the claims against Mr. Bakish, while allowing the claims against the remaining defendants to proceed. In February 2023, the parties to the Viacom Litigation agreed to settle the Viacom Litigation on the terms and conditions set forth in a binding term sheet (the “Viacom Term Sheet”), which was incorporated into a long-form settlement agreement entered into in March 2023 (the “Settlement Agreement”). The Viacom Term Sheet and Settlement Agreement provide for, among other things, the final dismissal of the Viacom Litigation in exchange for a settlement payment in the amount of \$122.5 million, which

PARAMOUNT GLOBAL AND SUBSIDIARIES
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(Tabular dollars in millions, except per share amounts)

we have recorded in "Other current liabilities" on the Consolidated Balance Sheets. The settlement of the Viacom Litigation is subject to the final approval of the Delaware Chancery Court, and the vast majority of the settlement payment will be due no less than five business days before the final settlement hearing.

Litigation Related to Stock Offerings

In August 2021, Camelot Event Driven Fund filed a putative securities class action lawsuit in New York Supreme Court, County of New York, and in November 2021, an amended complaint was filed that, among other changes, added an additional named plaintiff (as used in this paragraph, the "Complaint"). The Complaint is purportedly on behalf of investors who purchased shares of the Company's Class B Common Stock and 5.75% Series A Mandatory Convertible Preferred Stock pursuant to public securities offerings completed in March 2021, and was filed against the Company, certain senior executives, members of our Board of Directors, and the underwriters involved in the offerings. The Complaint asserts violations of federal securities law and alleges that the offering documents contained material misstatements and omissions, including through an alleged failure to adequately disclose certain total return swap transactions involving Archegos Capital Management referenced to our securities and related alleged risks to the Company's stock price. In December 2021, the plaintiffs filed a stipulation seeking the voluntary dismissal without prejudice of the outside director defendants from the lawsuit, which the Court subsequently ordered. On the same date, the defendants filed motions to dismiss the lawsuit, which were heard in January 2023. On February 7, 2023, the Court dismissed all claims against the Company while allowing the claims against the underwriters to proceed. The plaintiffs and underwriter defendants have appealed the ruling.

Litigation Related to Television Station Owners

In September 2019, the Company was added as a defendant in a multi-district putative class action lawsuit filed in the United States District Court for the Northern District of Illinois. The lawsuit was filed by parties that claim to have purchased broadcast television spot advertising beginning about January 2014 on television stations owned by one or more of the defendant television station owners and alleges the sharing of allegedly competitively sensitive information among such television stations in alleged violation of the Sherman Antitrust Act. The action, which names the Company among fourteen total defendants, seeks monetary damages, attorneys' fees, costs and interest as well as injunctions against the allegedly unlawful conduct. In October 2019, the Company and other defendants filed a motion to dismiss the matter, which was denied by the Court in November 2020. We have reached an agreement in principle with the plaintiffs to settle the lawsuit. The settlement, which will include no admission of liability or wrongdoing by the Company, will be subject to Court approval.

Claims Related to Former Businesses

Asbestos

We are a defendant in lawsuits claiming various personal injuries related to asbestos and other materials, which allegedly occurred as a result of exposure caused by various products manufactured by Westinghouse, a predecessor, generally prior to the early 1970s. Westinghouse was neither a producer nor a manufacturer of asbestos. We are typically named as one of a large number of defendants in both state and federal cases. In the majority of asbestos lawsuits, the plaintiffs have not identified which of our products is the basis of a claim. Claims against us in which a product has been identified most commonly relate to allegations of exposure to asbestos-containing insulating material used in conjunction with turbines and electrical equipment.

Claims are frequently filed and/or settled in groups, which may make the amount and timing of settlements, and the number of pending claims, subject to significant fluctuation from period to period. We do not report as pending those claims on inactive, stayed, deferred or similar dockets that some jurisdictions have established for claimants who allege minimal or no impairment. As of March 31, 2023, we had pending approximately 21,640 asbestos

PARAMOUNT GLOBAL AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Tabular dollars in millions, except per share amounts)

claims, as compared with approximately 21,580 as of December 31, 2022. During the first quarter of 2023, we received approximately 650 new claims and closed or moved to an inactive docket approximately 590 claims. We report claims as closed when we become aware that a dismissal order has been entered by a court or when we have reached agreement with the claimants on the material terms of a settlement. Settlement costs depend on the seriousness of the injuries that form the basis of the claims, the quality of evidence supporting the claims and other factors. Our total costs for the years 2022 and 2021 for settlement and defense of asbestos claims after insurance recoveries and net of tax were approximately \$57 million and \$63 million, respectively. Our costs for settlement and defense of asbestos claims may vary year to year and insurance proceeds are not always recovered in the same period as the insured portion of the expenses.

Filings include claims for individuals suffering from mesothelioma, a rare cancer, the risk of which is allegedly increased by exposure to asbestos; lung cancer, a cancer which may be caused by various factors, one of which is alleged to be asbestos exposure; other cancers, and conditions that are substantially less serious, including claims brought on behalf of individuals who are asymptomatic as to an allegedly asbestos-related disease. The predominant number of pending claims against us are non-cancer claims. It is difficult to predict future asbestos liabilities, as events and circumstances may impact the estimate of our asbestos liabilities, including, among others, the number and types of claims and average cost to resolve such claims. We record an accrual for a loss contingency when it is both probable that a liability has been incurred and when the amount of the loss can be reasonably estimated. Our liability estimate is based upon many factors, including the number of outstanding claims, estimated average cost per claim, the breakdown of claims by disease type, historic claim filings, costs per claim of resolution and the filing of new claims, as well as consultation with a third party firm on trends that may impact our future asbestos liability. While we believe that our accrual for matters related to our predecessor operations, including environmental and asbestos, are adequate, there can be no assurance that circumstances will not change in future periods, and as a result our actual liabilities may be higher or lower than our accrual.

Other

From time to time, we receive claims from federal and state environmental regulatory agencies and other entities asserting that we are or may be liable for environmental cleanup costs and related damages principally relating to our historical and predecessor operations. In addition, from time to time we receive personal injury claims including toxic tort and product liability claims (other than asbestos) arising from our historical operations and predecessors.

14) SUPPLEMENTAL FINANCIAL INFORMATION

Supplemental Cash Flow Information

	Three Months Ended	
	March 31,	
	2023	2022
Cash paid for interest	\$ 275	\$ 292
Cash paid (received) for income taxes:		
Continuing operations	\$ (8)	\$ 45
Discontinued operations	\$ 2	\$ 5
Noncash additions to operating lease assets	\$ 58	\$ 68

Lease Income

We enter into operating leases for the use of our owned production facilities and office buildings. Lease payments received under these agreements consist of fixed payments for the rental of space and certain building operating

PARAMOUNT GLOBAL AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Tabular dollars in millions, except per share amounts)

costs, as well as variable payments based on usage of production facilities and services, and escalating costs of building operations. We recorded total lease income, including both fixed and variable amounts, of \$14 million and \$15 million for the three months ended March 31, 2023 and 2022, respectively.

Restructuring and Other Corporate Matters

At March 31, 2023 and December 31, 2022, our restructuring liability was \$250 million and \$302 million, respectively, and was recorded in “Other current liabilities” and “Other liabilities” on the Consolidated Balance Sheets. During the three months ended March 31, 2023, we made payments for restructuring of \$53 million. The majority of the restructuring liability at March 31, 2023, which principally relates to severance payments, is expected to be paid by the end of 2023.

During the three months ended March 31, 2022, we recorded restructuring charges of \$18 million within the *Filmed Entertainment* segment for severance costs primarily associated with management changes following our operating segment realignment, and a charge of \$39 million following Russia’s invasion of Ukraine, principally to reserve against amounts due from counterparties in Russia, Belarus and Ukraine.

Item 2. Management’s Discussion and Analysis of Results of Operations and Financial Condition.
(Tabular dollars in millions, except per share amounts)

Management’s discussion and analysis of the results of operations and financial condition of Paramount Global should be read in conjunction with the consolidated financial statements and related notes in our Annual Report on Form 10-K for the year ended December 31, 2022. References in this document to “Paramount,” the “Company,” “we,” “us” and “our” refer to Paramount Global.

Significant components of management’s discussion and analysis of results of operations and financial condition include:

- *Overview*—Summary of our business and operational highlights.
- *Consolidated Results of Operations*—Analysis of our results on a consolidated basis for the three months ended March 31, 2023 compared with the three months ended March 31, 2022.
- *Segment Results of Operations*—Analysis of our results on a reportable segment basis for the three months ended March 31, 2023 compared with the three months ended March 31, 2022.
- *Liquidity and Capital Resources*—Discussion of our cash flows, including sources and uses of cash, for the three months ended March 31, 2023 and March 31, 2022; and of our outstanding debt as of March 31, 2023.
- *Legal Matters*—Discussion of legal matters to which we are involved.

**Management's Discussion and Analysis of
Results of Operations and Financial Condition (Continued)**
(Tabular dollars in millions, except per share amounts)

Overview

Operational Highlights - Three Months Ended March 31, 2023 versus Three Months Ended March 31, 2022

Consolidated results of operations				Increase/(Decrease)	
Three Months Ended March 31,	2023	2022	\$	%	
<i>GAAP:</i>					
Revenues	\$ 7,265	\$ 7,328	\$ (63)	(1)%	
Operating income (loss)	\$ (1,226)	\$ 775	\$ (2,001)	n/m	
Net earnings (loss) from continuing operations attributable to Paramount	\$ (1,163)	\$ 391	\$ (1,554)	n/m	
Diluted EPS from continuing operations	\$ (1.81)	\$.58	\$ (2.39)	n/m	
<i>Non-GAAP: (a)</i>					
Adjusted OIBDA	\$ 548	\$ 913	\$ (365)	(40)%	
Adjusted net earnings from continuing operations attributable to Paramount	\$ 72	\$ 403	\$ (331)	(82)%	
Adjusted diluted EPS from continuing operations	\$.09	\$.60	\$ (.51)	(85)%	

n/m - not meaningful

(a) Certain items identified as affecting comparability are excluded in non-GAAP results. See "Reconciliation of Non-GAAP Measures" for details of these items and reconciliations of non-GAAP results to the most directly comparable financial measures in accordance with accounting principles generally accepted in the United States ("GAAP").

For the three months ended March 31, 2023, revenues decreased 1% to \$7.27 billion, as lower revenues from our linear networks and the licensing of our content were substantially offset by growth in revenues from our streaming services, led by Paramount+. The decline for our linear networks principally reflects weakness in the global advertising market.

We reported an operating loss of \$1.23 billion for the three months ended March 31, 2023 compared with operating income of \$775 million for the comparable prior-year period. The comparison was impacted by programming charges of \$1.67 billion recorded during the first quarter of 2023. Adjusted operating income before depreciation and amortization ("Adjusted OIBDA"), which excludes these charges, as well as other items described under *Reconciliation of Non-GAAP Measures*, decreased 40%, driven by the decline in revenue and higher costs principally associated with investment in our streaming services.

For the three months ended March 31, 2023, we reported a net loss from continuing operations attributable to Paramount of \$1.16 billion, or \$1.81 per diluted share, compared with net earnings from continuing operations attributable to Paramount of \$391 million, or \$.58 per diluted share, for the same prior-year period. The comparison was impacted by the programming charges noted above and the other items described under *Reconciliation of Non-GAAP Measures* for the applicable period. Adjusted net earnings from continuing operations attributable to Paramount and adjusted diluted EPS, which exclude these items, decreased 82% and 85%, respectively, primarily reflecting the lower Adjusted OIBDA.

**Management's Discussion and Analysis of
Results of Operations and Financial Condition (Continued)**
(Tabular dollars in millions, except per share amounts)

Reconciliation of Non-GAAP Measures

Results for the three months ended March 31, 2023 and 2022 included certain items identified as affecting comparability. Adjusted OIBDA, adjusted earnings from continuing operations before income taxes, adjusted provision for income taxes, adjusted net earnings from continuing operations attributable to Paramount, and adjusted diluted EPS from continuing operations (together, the "adjusted measures") exclude the impact of these items and are measures of performance not calculated in accordance with GAAP. We use these measures to, among other things, evaluate our operating performance. These measures are among the primary measures used by management for planning and forecasting of future periods, and they are important indicators of our operational strength and business performance. In addition, we use Adjusted OIBDA to, among other things, value prospective acquisitions. We believe these measures are relevant and useful for investors because they allow investors to view performance in a manner similar to the method used by our management; provide a clearer perspective on our underlying performance; and make it easier for investors, analysts and peers to compare our operating performance to other companies in our industry and to compare our year-over-year results.

Because the adjusted measures are measures of performance not calculated in accordance with GAAP, they should not be considered in isolation of, or as a substitute for, operating income (loss), earnings (loss) from continuing operations before income taxes, (provision) benefit for income taxes, net earnings (loss) from continuing operations attributable to Paramount or diluted EPS from continuing operations, as applicable, as indicators of operating performance. These measures, as we calculate them, may not be comparable to similarly titled measures employed by other companies.

The following tables reconcile the adjusted measures to their most directly comparable financial measures in accordance with GAAP.

	Three Months Ended March 31,	
	2023	2022
Operating income (loss) (GAAP)	\$ (1,226)	\$ 775
Depreciation and amortization	100	96
Programming charges ^(a)	1,674	—
Restructuring and other corporate matters ^(a)	—	57
Gain on dispositions ^(a)	—	(15)
Adjusted OIBDA (Non-GAAP)	\$ 548	\$ 913

(a) See notes on the following tables for additional information on items affecting comparability.

**Management's Discussion and Analysis of
Results of Operations and Financial Condition (Continued)**
(Tabular dollars in millions, except per share amounts)

	Three Months Ended March 31, 2023			
	Earnings (Loss) from Continuing Operations Before Income Taxes	Benefit (Provision) for Income Taxes	Net Earnings (Loss) from Continuing Operations Attributable to Paramount	Diluted EPS from Continuing Operations
Reported (GAAP)	\$ (1,463)	\$ 381	\$ (1,163)	\$ (1.81)
Items affecting comparability:				
Programming charges ^(a)	1,674	(409)	1,265	1.94
Discrete tax items ^(b)	—	(30)	(30)	(.04)
Adjusted (Non-GAAP)	\$ 211	\$ (58)	\$ 72	\$.09

(a) In connection with our plan to integrate Showtime into Paramount+ and initiatives to rationalize and right-size our international operations to align with our streaming strategy and close or globalize certain of our international channels, during the first quarter of 2023 we reviewed our content portfolio and determined that we would not use certain content on our platforms. Accordingly, we recorded programming charges, which were comprised of impairment charges for content removed from our platforms or abandoned, development cost write-offs and contract termination costs.

(b) Principally reflects a tax benefit from the resolution of an income tax matter in a foreign jurisdiction.

	Three Months Ended March 31, 2022			
	Earnings from Continuing Operations Before Income Taxes	Provision for Income Taxes	Net Earnings from Continuing Operations Attributable to Paramount	Diluted EPS from Continuing Operations
Reported (GAAP)	\$ 470	\$ (34)	\$ 391	\$.58
Items affecting comparability:				
Restructuring and other corporate matters ^(a)	57	(12)	45	.07
Gain on dispositions ^(b)	(15)	4	(11)	(.02)
Loss on extinguishment of debt	73	(17)	56	.09
Discrete tax items ^(c)	—	(78)	(78)	(.12)
Adjusted (Non-GAAP)	\$ 585	\$ (137)	\$ 403	\$.60

(a) Comprised of restructuring charges of \$18 million for severance costs, and a charge of \$39 million recorded following Russia's invasion of Ukraine, principally to reserve against amounts due from counterparties in Russia, Belarus and Ukraine.

(b) Reflects a gain from the sale of international intangible assets and a working capital adjustment to the gain from the fourth quarter 2021 sale of CBS Studio Center.

(c) Primarily reflects a deferred tax benefit resulting from the transfer of intangible assets between our subsidiaries in connection with a reorganization of our international operations.

**Management's Discussion and Analysis of
Results of Operations and Financial Condition (Continued)**
(Tabular dollars in millions, except per share amounts)

Consolidated Results of Operations**Three Months Ended March 31, 2023 versus Three Months Ended March 31, 2022***Revenues*

Revenues by Type	Three Months Ended March 31,					
	2023	% of Total Revenues	2022	% of Total Revenues	Increase/(Decrease)	
					\$	%
Advertising	\$ 2,651	36 %	\$ 2,864	39 %	\$ (213)	(7)%
Affiliate and subscription	3,179	44	2,840	39	339	12
Theatrical	127	2	131	2	(4)	(3)
Licensing and other	1,308	18	1,493	20	(185)	(12)
Total Revenues	\$ 7,265	100 %	\$ 7,328	100 %	\$ (63)	(1)%

Advertising

For the three months ended March 31, 2023, the 7% decrease in advertising revenues was driven by weakness in the global advertising market as well as the airing of fewer National Football League ("NFL") games on CBS in the first quarter of 2023 compared with the same prior-year period.

Affiliate and Subscription

Affiliate and subscription revenues are principally comprised of fees received from multichannel video programming distributors (MVPDs) and third-party live television streaming services (virtual MVPDs or vMVPDs) for carriage of our cable networks (cable affiliate fees) and our owned television stations (retransmission fees), fees received from television stations for their affiliation with the CBS Television Network ("reverse compensation"), and subscription fees for our streaming services.

For the three months ended March 31, 2023, affiliate and subscription revenues increased 12%, driven by growth in subscribers for Paramount+ to 60.0 million at March 31, 2023 from 39.6 million at March 31, 2022. The increase in subscription revenue was partially offset by lower international affiliate fees for our linear networks, including an unfavorable impact from foreign exchange rate changes. Foreign exchange rate changes unfavorably impacted the total affiliate and subscription revenue comparison by 1 percentage point.

Theatrical

For the three months ended March 31, 2023, theatrical revenues decreased \$4 million, reflecting the timing and mix of releases. Releases during the period included *Scream VI*, *80 for Brady*, and *Dungeons & Dragons: Honor Among Thieves* while releases in the comparable prior-year period were *Scream (2022)*, *Jackass Forever*, and *The Lost City*.

Licensing and Other

Licensing and other revenues are principally comprised of fees from the licensing of the rights to exhibit our internally-produced television and film programming on various platforms in the secondary market after its initial exhibition on our owned or third-party platforms; license fees from content produced or distributed for third parties; home entertainment revenues, which include the viewing of our content on a transactional basis through transactional video-on-demand (TVOD) and electronic sell-through services and the sale and distribution of our content through DVDs and Blu-ray discs to wholesale and retail partners; fees from the use of our trademarks and brands for consumer products, recreation and live events; and revenues from the rental of production facilities.

**Management's Discussion and Analysis of
Results of Operations and Financial Condition (Continued)**
(Tabular dollars in millions, except per share amounts)

The 12% decrease in licensing and other revenues for the three months ended March 31, 2023 reflects a lower volume of licensing in the secondary market.

Operating Expenses

Operating Expenses by Type	Three Months Ended March 31,					
	2023	% of Operating Expenses	2022	% of Operating Expenses	Increase/(Decrease)	
					\$	%
Content costs	\$ 3,895	78 %	\$ 3,831	80 %	\$ 64	2 %
Distribution and other	1,069	22	965	20	104	11
Total Operating Expenses	\$ 4,964	100 %	\$ 4,796	100 %	\$ 168	4 %

Content Costs

Content costs include the amortization of costs of internally-produced television and theatrical film content; amortization of acquired program rights; other television production costs, including on-air talent; and participation and residuals expenses, which reflect amounts owed to talent and other participants in our content pursuant to contractual and collective bargaining arrangements.

For the three months ended March 31, 2023, content costs increased 2% as a result of our investment in content for our streaming services, which was partially offset by lower costs associated with the decrease in licensing revenue and lower sports programming costs.

Distribution and Other

Distribution and other operating expenses primarily include costs relating to the distribution of our content, including print and advertising for theatrical releases and costs for third-party distribution; compensation; revenue-sharing costs to television stations affiliated with the CBS Television Network; and other ancillary and overhead costs associated with our operations.

For the three months ended March 31, 2023, distribution and other expenses increased 11% primarily reflecting higher costs associated with the growth of our streaming services, including costs for third-party distribution, revenue sharing, technology and compensation. The increase also reflects higher costs to support theatrical releases.

Programming Charges

During the first quarter of 2023, in connection with our plan to integrate Showtime into Paramount+ across both streaming and linear platforms, we performed a comprehensive strategic review of the combined content portfolio of Showtime and Paramount+. We also reviewed our international content portfolio in connection with initiatives to rationalize and right-size our international operations to align with our streaming strategy, and close or globalize certain of our international channels. Following these reviews, we determined that we would not use certain content on our platforms, which resulted in the removal or abandonment of content, the write-off of development costs, and the termination of programming agreements during the quarter. Accordingly, we recorded charges totaling \$1.67 billion on the Consolidated Statement of Operations for the three months ended March 31, 2023. The charges are comprised of \$1.45 billion for the impairment of content to its estimated fair value, which included assumptions for estimated secondary market licensing revenues, if any, as well as \$225 million for development

**Management's Discussion and Analysis of
Results of Operations and Financial Condition (Continued)**
(Tabular dollars in millions, except per share amounts)

cost write-offs and contract termination costs. As we prepare for the launch of Paramount+ with Showtime later this year, we will continue to evaluate our content portfolio, and may incur additional programming charges.

Selling, General and Administrative Expenses

	Three Months Ended March 31,		
	2023	2022	Increase/(Decrease)
Selling, general and administrative expenses	\$ 1,753	\$ 1,619	8 %

Selling, general and administrative ("SG&A") expenses include costs incurred for advertising, marketing, occupancy, professional service fees, and back office support, including employee compensation and technology. For the three months ended March 31, 2023, SG&A expenses increased 8% driven by advertising, employee costs and other cost increases to support the growth and expansion of our streaming services.

Depreciation and Amortization

	Three Months Ended March 31,		
	2023	2022	Increase/(Decrease)
Depreciation and amortization	\$ 100	\$ 96	4 %

Restructuring and Other Corporate Matters

During the three months ended March 31, 2022, we recorded restructuring charges of \$18 million for severance costs primarily associated with management changes following our operating segment realignment, and a charge of \$39 million following Russia's invasion of Ukraine, principally to reserve against amounts due from counterparties in Russia, Belarus and Ukraine.

Gain on Dispositions

For the three months ended March 31, 2022, gain on dispositions of \$15 million was comprised of a gain from the sale of international intangible assets and a working capital adjustment to the gain from the fourth quarter 2021 sale of CBS Studio Center.

Interest Expense/Income

	Three Months Ended March 31,		
	2023	2022	Increase/(Decrease)
Interest expense	\$ 226	\$ 240	(6)%
Interest income	\$ 35	\$ 21	67 %

**Management's Discussion and Analysis of
Results of Operations and Financial Condition (Continued)**
(Tabular dollars in millions, except per share amounts)

The following table presents our outstanding debt balances, excluding finance leases, and the weighted average interest rates as of March 31, 2023 and 2022.

	At March 31,			
	2023	Weighted Average Interest Rate	2022	Weighted Average Interest Rate
Total notes and debentures	\$ 15,787	5.13 %	\$ 16,727	5.09 %
Other bank borrowings	\$ 58	7.48 %	\$ 65	3.50 %

Loss on Extinguishment of Debt

For the three months ended March 31, 2022, we recorded a loss on extinguishment of debt of \$73 million associated with the early redemption of long-term debt of \$1.94 billion.

Other Items, Net

The following table presents the components of Other items, net.

	Three Months Ended March 31,	
	2023	2022
Pension and postretirement benefit costs	\$ (37)	\$ (17)
Foreign exchange loss	(9)	1
Other	—	3
Other items, net	\$ (46)	\$ (13)

Provision (Benefit) for Income Taxes

The provision (benefit) for income taxes represents federal, state and local, and foreign taxes on earnings (loss) from continuing operations before income taxes and equity in loss of investee companies. For the three months ended March 31, 2023, we recorded a benefit for income taxes of \$381 million, reflecting an effective income tax rate of 26.0%. The income tax benefit in the first quarter of 2023 is the result of a tax benefit of \$409 million on programming charges of \$1.67 billion recorded during the period and a net discrete tax benefit of \$30 million, principally from the resolution of an income tax matter in a foreign jurisdiction. Together these items reduced our effective income tax rate by 1.5 percentage points.

For the three months ended March 31, 2022, we recorded a provision for income taxes of \$34 million, reflecting an effective income tax rate of 7.2%. Included in the provision for income taxes for the three months ended March 31, 2022 is a net discrete tax benefit of \$78 million primarily resulting from the transfer of intangible assets between our subsidiaries in connection with a reorganization of our international operations. This item, together with a net tax benefit of \$25 million on other items identified as affecting the comparability of our results during the period (which include a loss on extinguishment of debt, restructuring and other corporate matters, and a gain on dispositions) reduced our effective income tax rate by 16.2 percentage points.

**Management's Discussion and Analysis of
Results of Operations and Financial Condition (Continued)**
(Tabular dollars in millions, except per share amounts)

Equity in Loss of Investee Companies, Net of Tax

The following table presents equity in loss of investee companies for our equity-method investments.

	Three Months Ended March 31,		
	2023	2022	Increase/(Decrease)
Equity in loss of investee companies	\$ (78)	\$ (52)	(50)%
Tax benefit	3	15	(80)
Equity in loss of investee companies, net of tax	\$ (75)	\$ (37)	(103)%

For the three months ended March 31, 2023, the higher loss for our equity-method investments was driven by our investment in SkyShowtime.

Net Earnings (Loss) from Continuing Operations Attributable to Paramount and Diluted EPS from Continuing Operations

	Three Months Ended March 31,		
	2023	2022	Increase/(Decrease)
Net earnings (loss) from continuing operations attributable to Paramount	\$ (1,163)	\$ 391	n/m
Diluted EPS from continuing operations	\$ (1.81)	\$.58	n/m

n/m-not meaningful

For the three months ended March 31, 2023, we reported a net loss from continuing operations attributable to Paramount of \$1.16 billion, or \$1.81 per diluted share compared with net earnings from continuing operations attributable to Paramount of \$391 million, or \$.58 per diluted share. The decrease was driven by the decline in operating income, including the impact from the programming charges discussed above.

Net Earnings from Discontinued Operations

In the fourth quarter of 2020, we entered into an agreement to sell our publishing business, Simon & Schuster, which was previously reported as the *Publishing* segment and as a result, we began presenting Simon & Schuster as a discontinued operation. In the fourth quarter of 2022, we terminated the agreement after the U.S. Department of Justice prevailed in its suit to block the sale. Simon & Schuster remains a noncore asset as it does not fit strategically within our video-based portfolio. We expect to enter into a new agreement to sell Simon & Schuster in 2023. Assuming that we do so, closing would be subject to closing conditions that would include regulatory approval. Simon & Schuster continues to be presented as a discontinued operation for all periods presented.

**Management's Discussion and Analysis of
Results of Operations and Financial Condition (Continued)**
(Tabular dollars in millions, except per share amounts)

The following table sets forth details of net earnings from discontinued operations for the three months ended March 31, 2023 and 2022, which primarily reflects the results of Simon & Schuster.

	Three Months Ended March 31,	
	2023	2022
Revenues	\$ 258	\$ 217
Costs and expenses:		
Operating	151	124
Selling, general and administrative	45	38
Total costs and expenses ^(a)	196	162
Operating income	62	55
Other items, net	(3)	(1)
Earnings from discontinued operations	59	54
Provision for income taxes ^(b)	(14)	(12)
Net earnings from discontinued operations, net of tax	\$ 45	\$ 42

(a) Included in total costs and expenses are amounts associated with the release of indemnification obligations for leases relating to a previously disposed business of \$4 million and \$5 million for the three months ended March 31, 2023 and 2022, respectively.

(b) The tax provision includes amounts relating to previously disposed businesses of \$1 million for each of the three months ended March 31, 2023 and 2022.

Segment Results of Operations

We present operating income excluding depreciation and amortization, stock-based compensation, costs for restructuring and other corporate matters, programming charges and gain on dispositions, each where applicable ("Adjusted OIBDA"), as the primary measure of profit and loss for our operating segments in accordance with Financial Accounting Standards Board guidance for segment reporting since it is the primary method used by our management. Stock-based compensation is excluded from our segment measure of profit and loss because it is set and approved by our Board of Directors in consultation with corporate executive management. Stock-based compensation is included as a component of our consolidated Adjusted OIBDA. See *Reconciliation of Non-GAAP Measures* for a reconciliation of total Adjusted OIBDA to Operating Income (Loss), the most directly comparable financial measure in accordance with GAAP.

Three Months Ended March 31, 2023 and 2022

	Three Months Ended March 31,					
	2023	% of Total Revenues	2022	% of Total Revenues	Increase/(Decrease)	
					\$	%
Revenues:						
TV Media	\$ 5,193	71 %	\$ 5,645	77 %	\$ (452)	(8)%
Direct-to-Consumer	1,510	21	1,089	15	421	39
Filmed Entertainment	588	8	624	8	(36)	(6)
Eliminations	(26)	—	(30)	—	4	13
Total Revenues	\$ 7,265	100 %	\$ 7,328	100 %	\$ (63)	(1)%

**Management's Discussion and Analysis of
Results of Operations and Financial Condition (Continued)**
(Tabular dollars in millions, except per share amounts)

	Three Months Ended March 31,			
	2023	2022	Increase/(Decrease)	
			\$	%
Adjusted OIBDA:				
TV Media	\$ 1,306	\$ 1,544	\$ (238)	(15)%
Direct-to-Consumer	(511)	(456)	(55)	(12)
Filmed Entertainment	(99)	(37)	(62)	(168)
Corporate/Eliminations	(109)	(104)	(5)	(5)
Stock-based compensation ^(a)	(39)	(34)	(5)	(15)
Total Adjusted OIBDA	548	913	(365)	(40)
Depreciation and amortization	(100)	(96)	(4)	(4)
Programming charges	(1,674)	—	(1,674)	n/m
Restructuring and other corporate matters	—	(57)	57	n/m
Gain on dispositions	—	15	(15)	n/m
Total Operating Income (Loss)	\$ (1,226)	\$ 775	\$ (2,001)	n/m

n/m - not meaningful

(a) For the three months ended March 31, 2022, stock-based compensation expense of \$2 million is included in "Restructuring and other corporate matters".

TV Media

Three Months Ended March 31, 2023 and 2022

TV Media	Three Months Ended March 31,			
	2023	2022	Increase/(Decrease)	
			\$	%
Advertising	\$ 2,256	\$ 2,521	\$ (265)	(11)%
Affiliate and subscription	2,067	2,098	(31)	(1)
Licensing and other	870	1,026	(156)	(15)
Revenues	\$ 5,193	\$ 5,645	\$ (452)	(8)%
Adjusted OIBDA	\$ 1,306	\$ 1,544	\$ (238)	(15)%

Revenues

For the three months ended March 31, 2023, revenues decreased 8%, primarily reflecting lower advertising and licensing revenues.

Advertising

The 11% decrease in advertising revenues was primarily the result of lower impressions for our domestic networks, which were only partially offset by higher pricing, and lower revenues for our international networks, as our advertising revenues were impacted globally by weakness in the advertising market. The decline in advertising revenues also reflects the airing of fewer NFL games on CBS in the first quarter of 2023 compared with the same prior-year period, and an adverse effect from foreign exchange rate changes of 2 percentage points.

Affiliate and Subscription

The 1% decrease in affiliate and subscription revenues mainly reflects lower international affiliate revenues, driven by unfavorable foreign exchange rate changes and a shift of revenue from our pay television services to our streaming services following the restructuring of certain affiliate agreements. Domestic affiliate revenues were

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essentially flat compared with the prior-year period as the impact from lower domestic subscribers was substantially offset by growth in reverse compensation and contractual rate increases.

Licensing and Other

Licensing and other revenues decreased 15%, reflecting a lower volume of licensing in the secondary market and lower revenues from content produced for third parties.

Adjusted OIBDA

Adjusted OIBDA decreased 15%, primarily driven by the decline in revenues, partially offset by lower content costs associated with the decrease in content licensing revenues and lower sports programming costs.

Direct-to-Consumer

Three Months Ended March 31, 2023 and 2022

Direct-to-Consumer	Three Months Ended March 31,			
	2023	2022	Increase/(Decrease)	
Advertising	\$ 398	\$ 347	\$ 51	15 %
Subscription	1,112	742	370	50
Revenues	\$ 1,510	\$ 1,089	\$ 421	39 %
Adjusted OIBDA	\$ (511)	\$ (456)	\$ (55)	(12)%

(in millions)	Three Months Ended March 31,			
	2023	2022	Increase/(Decrease)	
Paramount+ (Global)				
Subscribers ^(a)	60.0	39.6	20.4	52 %
Revenues	\$ 965	\$ 585	\$ 380	65 %

(a) Subscribers include customers with access to Paramount+, either directly through our owned and operated apps and websites, or through third-party distributors. Our subscribers include paid subscriptions and those customers registered in a free trial. For the periods above, subscriber counts reflect the number of subscribers as of the applicable period-end date.

Revenues

For the three months ended March 31, 2023, the 39% increase in revenue was primarily driven by growth from Paramount+.

Advertising

The 15% increase in advertising revenues was driven by an increase in impressions, reflecting the benefit from growth in Paramount+ subscribers.

Subscription

The 50% increase in subscription revenues reflects growth across our streaming services, primarily from Paramount+. Paramount+ subscribers grew 20.4 million, or 52%, compared to March 31, 2022, driven by the benefit from 2022 launches in international markets as well as growth in U.S. subscribers. Subscriber growth was impacted by the removal of 1.9 million Paramount+ subscribers following the September 2022 launch of the SkyShowtime streaming service in the Nordics, where it replaced Paramount+ in the market, and the removal in

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April 2022 of 1.2 million Paramount+ subscribers in Russia, where we suspended our operations following Russia's invasion of Ukraine.

During the quarter, global Paramount+ subscribers increased 4.1 million, or 7%, to 60.0 million, compared with 55.9 million at December 31, 2022, reflecting the continued success of our content, including *1923*, *Tulsa King*, *Top Gun: Maverick* and *Teen Wolf: The Movie* as well as the NFL Playoffs.

Adjusted OIBDA

Adjusted OIBDA decreased \$55 million, as revenue growth was more than offset by higher costs to support growth in our streaming services including content, advertising, distribution, employee and technology costs.

Filmed Entertainment

Three Months Ended March 31, 2023 and 2022

Filmed Entertainment	Three Months Ended March 31,			
	2023	2022	Increase/(Decrease)	
			\$	%
Advertising ^(a)	\$ 5	\$ 2	\$ 3	150 %
Theatrical	127	131	(4)	(3)
Licensing and other	456	491	(35)	(7)
Revenues	\$ 588	\$ 624	\$ (36)	(6)%
Adjusted OIBDA	\$ (99)	\$ (37)	\$ (62)	(168)%

(a) Primarily reflects advertising revenues earned from the use of *Filmed Entertainment* content on third party digital platforms.

Revenues

For the three months ended March 31, 2023, revenues decreased 6%, driven by lower licensing revenues.

Theatrical

The \$4 million decrease in theatrical revenues reflects the timing and mix of releases. Releases during the first quarter of 2023 included *Scream VI*, *80 for Brady*, and *Dungeons & Dragons: Honor Among Thieves* while releases in the comparable prior-year period were *Scream (2022)*, *Jackass Forever*, and *The Lost City*.

Licensing and Other

The 7% decrease in licensing and other revenues primarily reflects lower consumer products licensing revenues as a result of macroeconomic softness.

Adjusted OIBDA

Adjusted OIBDA decreased \$62 million in the quarter, driven by an adverse impact from the timing of the release of *Dungeons and Dragons: Honor Among Thieves* on the last day of the quarter, costs from the release of Miramax's *Operation Fortune: Ruse de Guerre*, and the decline in consumer products licensing revenues.

Fluctuations in results for the *Filmed Entertainment* segment may occur as a result of the timing of the recognition of distribution costs, including print and advertising, which are generally incurred before and throughout the

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theatrical release of a film, while the revenues for the respective film are recognized as earned through the film's theatrical exhibition and distribution to other platforms.

Liquidity and Capital Resources

Sources and Uses of Cash

We project anticipated cash requirements for our operating, investing and financing needs as well as cash flows expected to be generated and available to meet these needs. Our operating needs include, among other items, expenditures for content for our broadcast and cable networks and streaming services, including television and film programming, sports rights, and talent contracts, as well as advertising and marketing costs to promote our content and platforms; payments for leases, interest, and income taxes; and pension funding obligations. Our planned spending throughout 2023 includes continued increased investment in our streaming services. Our investing and financing spending includes capital expenditures; acquisitions; funding relating to new and existing investments, including SkyShowtime, our streaming joint venture with Comcast, under which both parent companies have committed to support initial operations over a multiyear period; discretionary share repurchases, dividends and principal payments on our outstanding indebtedness. The Company's Board of Directors has determined to reduce the quarterly cash dividend on our Class A and Class B Common Stock to \$.05 per share (or \$.20 annually). We believe that our operating cash flows, cash and cash equivalents, which were \$2.11 billion as of March 31, 2023, borrowing capacity under our \$3.50 billion Credit Facility described below, as well as access to capital markets are sufficient to fund our operating, investing and financing requirements for the next twelve months.

Our funding for long-term obligations, including our long-term debt obligations due over the next five years, which were \$2.85 billion as of March 31, 2023, as well as our other long term commitments, will come primarily from cash flows from operating activities, proceeds from noncore asset sales, including the planned sale of Simon & Schuster, and our ability to refinance our debt. Any additional cash funding requirements are financed with short-term borrowings, including commercial paper, and long-term debt. To the extent that commercial paper is not available to us, the Credit Facility provides sufficient capacity to satisfy short-term borrowing needs. In addition, if necessary, we could increase our liquidity position by reducing non-committed spending. We routinely assess our capital structure and opportunistically enter into transactions to manage our outstanding debt maturities, which could result in a charge from the early extinguishment of debt.

Our access to capital markets can be impacted by factors outside our control, including economic conditions; however, we believe that our strong balance sheet, cash flows, credit facility and credit ratings will provide us with adequate access to funding for our expected cash needs. The cost of any new borrowings is affected by market conditions and short- and long-term debt ratings assigned by independent rating agencies, and there can be no assurance that we will be able to access capital markets on terms and conditions that will be favorable to us.

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Cash Flows

The changes in cash and cash equivalents were as follows:

	Three Months Ended March 31,		
	2023	2022	Increase/(Decrease)
Net cash flow (used for) provided by operating activities from:			
Continuing operations	\$ (483)	\$ 295	\$ (778)
Discontinued operations	105	102	3
Net cash flow (used for) provided by operating activities	(378)	397	(775)
Net cash flow used for investing activities	(89)	(80)	(9)
Net cash flow used for financing activities	(312)	(1,271)	959
Effect of exchange rate changes on cash and cash equivalents	3	(11)	14
Net decrease in cash and cash equivalents	\$ (776)	\$ (965)	\$ 189

Operating Activities

Operating cash flow from continuing operations for the three months ended March 31, 2023 was a net use of cash of \$483 million compared to a net source of cash of \$295 million for the three months ended March 31, 2022. The use of cash in 2023 as well as the decrease in operating cash flow from continuing operations compared to the prior-year period primarily reflects our increased investment in content.

Cash flow provided by operating activities for the three months ended March 31, 2023 and 2022 included payments for restructuring, merger-related costs and transformation initiatives of \$65 million and \$53 million, respectively. Since the merger of Viacom Inc. ("Viacom") with and into CBS Corporation ("CBS") (the "Merger"), we have invested in a number of transformation initiatives. Initially, these were undertaken to realize synergies related to the Merger. More recently, our transformation initiatives are related to future-state technology, including the unification and evolution of systems and platforms, and migration to the cloud. In addition, we are investing in future-state workspaces, including adapting our facilities to accommodate our hybrid and agile work model.

Cash flow provided by operating activities from discontinued operations reflects the operating activities of Simon & Schuster.

Investing Activities

	Three Months Ended March 31,	
	2023	2022
Investments	\$ (43)	\$ (59)
Capital expenditures ^(a)	(71)	(52)
Other investing activities ^(b)	25	31
Net cash flow used for investing activities	\$ (89)	\$ (80)

(a) Includes payments associated with the implementation of our transformation initiatives of \$4 million and \$8 million in 2023 and 2022, respectively.

(b) 2023 primarily reflects the collection of receivables associated with the sale of a 37.5% interest in The CW in the prior year and proceeds received from the disposition of certain channels in Latin America. 2022 reflects the disposition of international intangible assets.

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Financing Activities

	Three Months Ended March 31,	
	2023	2022
Proceeds from issuance of notes and debentures	\$ —	\$ 991
Repayment of notes and debentures	—	(2,001)
Dividends paid on preferred stock	(14)	(14)
Dividends paid on common stock	(166)	(158)
Payment of payroll taxes in lieu of issuing shares for stock-based compensation	(16)	(9)
Payments to noncontrolling interests	(89)	(77)
Other financing activities	(27)	(3)
Net cash flow used for financing activities	\$ (312)	\$ (1,271)

Dividends

We declared a quarterly cash dividend of \$.24 per share on our Class A and Class B Common Stock during each of the three-month periods ended March 31, 2023 and 2022, resulting in total dividends of \$161 million and \$159 million, respectively.

We declared a quarterly cash dividend of \$1.4375 per share on our 5.75% Series A Mandatory Convertible Preferred Stock during each of the three-month periods ended March 31, 2023 and 2022, resulting in total dividends of \$14.4 million for each of the respective periods.

Capital Structure

The following table sets forth our debt.

	At March 31, 2023	At December 31, 2022
Senior debt (2.90%-7.875% due 2023-2050)	\$ 14,155	\$ 14,149
Junior debt (6.25% and 6.375% due 2057 and 2062)	1,632	1,632
Other bank borrowings	58	55
Obligations under finance leases	8	10
Total debt ^(a)	15,853	15,846
Less current portion	240	239
Total long-term debt, net of current portion	\$ 15,613	\$ 15,607

(a) At March 31, 2023 and December 31, 2022, the senior and junior subordinated debt balances included (i) a net unamortized discount of \$437 million and \$442 million, respectively, and (ii) unamortized deferred financing costs of \$88 million and \$89 million, respectively. The face value of our total debt was \$16.38 billion at both March 31, 2023 and December 31, 2022.

During the first quarter of 2022, we redeemed \$1.42 billion of senior notes, prior to maturity, for an aggregate redemption price of \$1.48 billion and \$520 million of 5.875% junior subordinated debentures due February 2057 at par. These redemptions resulted in a total pre-tax loss on extinguishment of debt of \$73 million.

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During the first quarter of 2022, we also issued \$1.00 billion of 6.375% junior subordinated debentures due 2062. The interest rate on these debentures will reset on March 30, 2027, and every five years thereafter to a fixed rate equal to the 5-year Treasury Rate (as defined pursuant to the terms of the debentures) plus a spread. These debentures can be called by us at par plus a make whole premium any time before March 30, 2027, or at par on March 30, 2027, or at any interest payment date thereafter.

Our 6.25% junior subordinated debentures due February 2057 accrue interest at the stated fixed rate until February 28, 2027, on which date the rate will switch to a floating rate. These debentures can be called by us at par at any time after the expiration of the fixed-rate period.

The subordination, interest deferral option and extended term of our junior subordinated debentures provide significant credit protection measures for senior creditors and, as a result of these features, the debentures received a 50% equity credit by Standard & Poor's Rating Services and Fitch Ratings Inc., and a 25% equity credit by Moody's Investors Service, Inc.

Commercial Paper

At both March 31, 2023 and December 31, 2022, we had no outstanding commercial paper borrowings.

Credit Facility

In March 2023, we amended and extended our \$3.50 billion revolving credit facility (the "Credit Facility"), which now matures in January 2027 (the "2023 Amendment"). The Credit Facility is used for general corporate purposes and to support commercial paper borrowings, if any. We may, at our option, also borrow in certain foreign currencies up to specified limits under the Credit Facility. Borrowing rates under the Credit Facility are determined at the time of each borrowing and are generally based on either the prime rate in the U.S. or an applicable benchmark rate plus a margin (based on our senior unsecured debt rating), depending on the type and tenor of the loans entered into. Under the 2023 Amendment, we replaced LIBOR as the benchmark rate for loans denominated in U.S. dollars with Term SOFR. The benchmark rate for loans denominated in euros, sterling and yen is based on EURIBOR, SONIA and TIBOR, respectively. The Credit Facility was also amended to include a provision that the occurrence of a Change of Control (as defined in the amended credit agreement) of Paramount will be an event of default that would give the lenders the right to accelerate any outstanding loans and terminate their commitments. At March 31, 2023, we had no borrowings outstanding under the Credit Facility and the remaining availability under the Credit Facility, net of outstanding letters of credit, was \$3.50 billion.

The Credit Facility has one principal financial covenant which sets a maximum Consolidated Total Leverage Ratio ("Leverage Ratio") at the end of each quarter, which prior to the 2023 Amendment was 4.5x. Under the 2023 Amendment, the maximum Leverage Ratio was increased to 5.75x for each quarter through and including the quarter ending September 30, 2024, and will then decrease to 5.5x for the quarters ending December 31, 2024 and March 31, 2025, with decreases of 0.25x for each subsequent quarter until it reaches 4.5x for the quarter ending March 31, 2026. The Leverage Ratio reflects the ratio of our Consolidated Indebtedness, net of unrestricted cash and cash equivalents at the end of a quarter, to our Consolidated EBITDA (each as defined in the amended credit agreement) for the trailing twelve-month period. Under the 2023 Amendment, the definition of the Leverage Ratio was also modified to set the maximum amount of unrestricted cash and cash equivalents that can be netted against Consolidated Indebtedness to \$1.50 billion for quarters ending on or after September 30, 2024. In addition, under the 2023 Amendment, Simon & Schuster shall be treated as a continuing operation for the purposes of calculating Consolidated EBITDA until its disposition. We met the covenant as of March 31, 2023.

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Other Bank Borrowings

At March 31, 2023 and December 31, 2022, we had bank borrowings under Miramax's \$300 million credit facility, which matured in April 2023, of \$58 million and \$55 million, respectively, with weighted average interest rates of 7.48% and 7.09%, respectively.

Guarantees*Letters of Credit and Surety Bonds*

At March 31, 2023, we had outstanding letters of credit and surety bonds of \$178 million that were not recorded on the Consolidated Balance Sheet. Letters of credit and surety bonds are primarily used as security against non-performance in the normal course of business.

CBS Television City

In connection with the sale of the CBS Television City property and sound stage operation ("CBS Television City") in 2019, we guaranteed a specified level of cash flows to be generated by the business during the first five years following the completion of the sale. Included in "Other current liabilities" on the Consolidated Balance Sheet at March 31, 2023 is a liability totaling \$25 million, reflecting the present value of the remaining estimated amount payable under the guarantee obligation.

Lease Guarantees

We have certain indemnification obligations with respect to leases primarily associated with the previously discontinued operations of Famous Players Inc. These lease commitments totaled \$17 million at March 31, 2023, and are presented within "Other liabilities" on the Consolidated Balance Sheet. The amount of lease commitments varies over time depending on the expiration or termination of individual underlying leases, or the related indemnification obligation, and foreign exchange rates, among other things. We may also have exposure for certain other expenses related to the leases, such as property taxes and common area maintenance. We believe our accrual is sufficient to meet any future obligations based on our consideration of available financial information, the lessees' historical performance in meeting their lease obligations and the underlying economic factors impacting the lessees' business models.

Other

In the course of our business, we both provide and receive indemnities which are intended to allocate certain risks associated with business transactions. Similarly, we may remain contingently liable for various obligations of a business that has been divested in the event that a third party does not live up to its obligations under an indemnification obligation. We record a liability for our indemnification obligations and other contingent liabilities when probable and reasonably estimable.

Legal Matters***General***

On an ongoing basis, we vigorously defend ourselves in numerous lawsuits and proceedings and respond to various investigations and inquiries from federal, state, local and international authorities (collectively, "Litigation"). Litigation may be brought against us without merit, is inherently uncertain and always difficult to predict. However, based on our understanding and evaluation of the relevant facts and circumstances, we believe

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that the following matters are not likely, in the aggregate, to result in a material adverse effect on our business, financial condition and results of operations.

Stockholder Matters

Litigation Relating to the Merger

Beginning in February 2020, three purported CBS stockholders filed separate derivative and/or putative class action lawsuits in the Court of Chancery of the State of Delaware (the "Delaware Chancery Court"). In March 2020, the Delaware Chancery Court consolidated the three lawsuits and appointed Bucks County Employees Retirement Fund and International Union of Operating Engineers of Eastern Pennsylvania and Delaware as co-lead plaintiffs for the consolidated action captioned *In re CBS Corporation Stockholder Class Action and Derivative Litigation* (the "CBS Litigation"). In April 2020, the lead plaintiffs filed a Verified Consolidated Class Action and Derivative Complaint (as used in this paragraph, the "Complaint") against Shari E. Redstone, National Amusements, Inc., Sumner M. Redstone National Amusements Trust, additional members of the CBS Board of Directors (including Candace K. Beinecke, Barbara M. Byrne, Gary L. Countryman, Linda M. Griego, Robert N. Klieger, Martha L. Minow, Susan Schuman, Frederick O. Terrell and Strauss Zelnick), former CBS President and Acting Chief Executive Officer Joseph Ianniello and the Company as nominal defendant. The Complaint alleges breaches of fiduciary duties in connection with the negotiation and approval of an Agreement and Plan of Merger, dated as of August 13, 2019, between CBS and Viacom (as amended, the "Merger Agreement"). The Complaint also alleges waste and unjust enrichment in connection with certain aspects of Mr. Ianniello's compensation awards. The Complaint seeks unspecified damages, costs and expenses, as well as other relief. In June 2020, the defendants filed motions to dismiss the Complaint. In January 2021, the Delaware Chancery Court dismissed one disclosure claim, while allowing all other claims against the defendants to proceed. On January 7, 2022, the Delaware Chancery Court granted Bucks County Employees Retirement Fund's motion to withdraw as a co-lead plaintiff in the CBS Litigation. In December 2022, the Delaware Chancery Court dismissed the fiduciary duty claim against Mr. Klieger.

In April 2023, the parties to the CBS Litigation agreed to settle the CBS Litigation on the terms and conditions set forth in a binding term sheet (the "CBS Term Sheet"), which will be incorporated into a long-form settlement agreement that will be subject to the final approval of the Delaware Chancery Court. The CBS Term Sheet provides for, among other things, the final dismissal of the CBS Litigation in exchange for a settlement payment to the Company in the amount of \$167.5 million, less administrative costs and plaintiffs' counsels' fees and expenses.

Beginning in November 2019, four purported Viacom stockholders filed separate putative class action lawsuits in the Delaware Chancery Court. In January 2020, the Delaware Chancery Court consolidated the four lawsuits. In February 2020, the Delaware Chancery Court appointed California Public Employees' Retirement System ("CalPERS") as lead plaintiff for the consolidated action. Subsequently, in February 2020, CalPERS, together with Park Employees' and Retirement Board Employees' Annuity and Benefit Fund of Chicago and Louis M. Wilen, filed a First Amended Verified Class Action Complaint (as used in this paragraph, the "Complaint") against NAI, NAI Entertainment Holdings LLC, Shari E. Redstone, the members of the special transaction committee of the Viacom Board of Directors (comprised of Thomas J. May, Judith A. McHale, Ronald L. Nelson and Nicole Seligman) and our President and Chief Executive Officer and director, Robert M. Bakish (as used in this paragraph, the "Viacom Litigation"). The Complaint alleges breaches of fiduciary duties to Viacom stockholders in connection with the negotiation and approval of the Merger Agreement. The Complaint seeks unspecified damages, costs and expenses, as well as other relief. In May 2020, the defendants filed motions to dismiss. In December 2020, the Delaware Chancery Court dismissed the claims against Mr. Bakish, while allowing the claims against the remaining defendants to proceed. In February 2023, the parties to the Viacom Litigation agreed to settle the Viacom Litigation on the terms and conditions set forth in a binding term sheet (the "Viacom Term Sheet"),

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which was incorporated into a long-form settlement agreement entered into in March 2023 (the "Settlement Agreement"). The Viacom Term Sheet and Settlement Agreement provide for, among other things, the final dismissal of the Viacom Litigation in exchange for a settlement payment in the amount of \$122.5 million, which we have recorded in "Other current liabilities" on the Consolidated Balance Sheets. The settlement of the Viacom Litigation is subject to the final approval of the Delaware Chancery Court, and the vast majority of the settlement payment will be due no less than five business days before the final settlement hearing.

Litigation Related to Stock Offerings

In August 2021, Camelot Event Driven Fund filed a putative securities class action lawsuit in New York Supreme Court, County of New York, and in November 2021, an amended complaint was filed that, among other changes, added an additional named plaintiff (as used in this paragraph, the "Complaint"). The Complaint is purportedly on behalf of investors who purchased shares of the Company's Class B Common Stock and 5.75% Series A Mandatory Convertible Preferred Stock pursuant to public securities offerings completed in March 2021, and was filed against the Company, certain senior executives, members of our Board of Directors, and the underwriters involved in the offerings. The Complaint asserts violations of federal securities law and alleges that the offering documents contained material misstatements and omissions, including through an alleged failure to adequately disclose certain total return swap transactions involving Archegos Capital Management referenced to our securities and related alleged risks to the Company's stock price. In December 2021, the plaintiffs filed a stipulation seeking the voluntary dismissal without prejudice of the outside director defendants from the lawsuit, which the Court subsequently ordered. On the same date, the defendants filed motions to dismiss the lawsuit, which were heard in January 2023. On February 7, 2023, the Court dismissed all claims against the Company while allowing the claims against the underwriters to proceed. The plaintiffs and underwriter defendants have appealed the ruling.

Litigation Related to Television Station Owners

In September 2019, the Company was added as a defendant in a multi-district putative class action lawsuit filed in the United States District Court for the Northern District of Illinois. The lawsuit was filed by parties that claim to have purchased broadcast television spot advertising beginning about January 2014 on television stations owned by one or more of the defendant television station owners and alleges the sharing of allegedly competitively sensitive information among such television stations in alleged violation of the Sherman Antitrust Act. The action, which names the Company among fourteen total defendants, seeks monetary damages, attorneys' fees, costs and interest as well as injunctions against the allegedly unlawful conduct. In October 2019, the Company and other defendants filed a motion to dismiss the matter, which was denied by the Court in November 2020. We have reached an agreement in principle with the plaintiffs to settle the lawsuit. The settlement, which will include no admission of liability or wrongdoing by the Company, will be subject to Court approval.

Claims Related to Former Businesses

Asbestos

We are a defendant in lawsuits claiming various personal injuries related to asbestos and other materials, which allegedly occurred as a result of exposure caused by various products manufactured by Westinghouse, a predecessor, generally prior to the early 1970s. Westinghouse was neither a producer nor a manufacturer of asbestos. We are typically named as one of a large number of defendants in both state and federal cases. In the majority of asbestos lawsuits, the plaintiffs have not identified which of our products is the basis of a claim. Claims against us in which a product has been identified most commonly relate to allegations of exposure to asbestos-containing insulating material used in conjunction with turbines and electrical equipment.

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Claims are frequently filed and/or settled in groups, which may make the amount and timing of settlements, and the number of pending claims, subject to significant fluctuation from period to period. We do not report as pending those claims on inactive, stayed, deferred or similar dockets that some jurisdictions have established for claimants who allege minimal or no impairment. As of March 31, 2023, we had pending approximately 21,640 asbestos claims, as compared with approximately 21,580 as of December 31, 2022. During the first quarter of 2023, we received approximately 650 new claims and closed or moved to an inactive docket approximately 590 claims. We report claims as closed when we become aware that a dismissal order has been entered by a court or when we have reached agreement with the claimants on the material terms of a settlement. Settlement costs depend on the seriousness of the injuries that form the basis of the claims, the quality of evidence supporting the claims and other factors. Our total costs for the years 2022 and 2021 for settlement and defense of asbestos claims after insurance recoveries and net of tax were approximately \$57 million and \$63 million, respectively. Our costs for settlement and defense of asbestos claims may vary year to year and insurance proceeds are not always recovered in the same period as the insured portion of the expenses.

Filings include claims for individuals suffering from mesothelioma, a rare cancer, the risk of which is allegedly increased by exposure to asbestos; lung cancer, a cancer which may be caused by various factors, one of which is alleged to be asbestos exposure; other cancers, and conditions that are substantially less serious, including claims brought on behalf of individuals who are asymptomatic as to an allegedly asbestos-related disease. The predominant number of pending claims against us are non-cancer claims. It is difficult to predict future asbestos liabilities, as events and circumstances may impact the estimate of our asbestos liabilities, including, among others, the number and types of claims and average cost to resolve such claims. We record an accrual for a loss contingency when it is both probable that a liability has been incurred and when the amount of the loss can be reasonably estimated. Our liability estimate is based upon many factors, including the number of outstanding claims, estimated average cost per claim, the breakdown of claims by disease type, historic claim filings, costs per claim of resolution and the filing of new claims, as well as consultation with a third party firm on trends that may impact our future asbestos liability. While we believe that our accrual for matters related to our predecessor operations, including environmental and asbestos, are adequate, there can be no assurance that circumstances will not change in future periods, and as a result our actual liabilities may be higher or lower than our accrual.

Other

From time to time, we receive claims from federal and state environmental regulatory agencies and other entities asserting that we are or may be liable for environmental cleanup costs and related damages principally relating to our historical and predecessor operations. In addition, from time to time we receive personal injury claims including toxic tort and product liability claims (other than asbestos) arising from our historical operations and predecessors.

Related Parties

See Note 4 to the consolidated financial statements.

Critical Accounting Policies

See Item 7, Management's Discussion and Analysis of Results of Operations and Financial Condition in our Annual Report on Form 10-K for the year ended December 31, 2022, for a discussion of our critical accounting policies.

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(Tabular dollars in millions, except per share amounts)

Cautionary Note Concerning Forward-Looking Statements

This Quarterly Report on Form 10-Q contains both historical and forward-looking statements, including statements related to our future results and performance. All statements that are not statements of historical fact are, or may be deemed to be, forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Similarly, statements that describe our objectives, plans or goals are or may be forward-looking statements. These forward-looking statements reflect our current expectations concerning future results and events; generally can be identified by the use of statements that include phrases such as “believe,” “expect,” “anticipate,” “intend,” “plan,” “foresee,” “likely,” “will,” “may,” “could,” “estimate” or other similar words or phrases; and involve known and unknown risks, uncertainties and other factors that are difficult to predict and which may cause our actual results, performance or achievements to be different from any future results, performance or achievements expressed or implied by these statements. These risks, uncertainties and other factors include, among others: risks related to our streaming business; the adverse impact on our advertising revenues as a result of changes in consumer viewership, advertising market conditions and deficiencies in audience measurement; risks related to operating in highly competitive industries, including cost increases; our ability to maintain attractive brands and to offer popular content; changes in consumer behavior, as well as evolving technologies and distribution models; the potential for loss of carriage or other reduction in or the impact of negotiations for the distribution of our content; damage to our reputation or brands; risks related to our ongoing investments in new businesses, products, services, technologies and other strategic activities; losses due to asset impairment charges for goodwill, intangible assets, FCC licenses and programming; risks related to environmental, social and governance (ESG) matters; evolving business continuity, cybersecurity, privacy and data protection and similar risks; content infringement; domestic and global political, economic and regulatory factors affecting our businesses generally; the impact of COVID-19 and other pandemics and measures taken in response thereto; liabilities related to discontinued operations and former businesses; the loss of existing or inability to hire new key employees or secure creative talent; strikes and other union activity; volatility in the price of our common stock; potential conflicts of interest arising from our ownership structure with a controlling stockholder; and other factors described in our news releases and filings with the Securities and Exchange Commission, including but not limited to our most recent Annual Report on Form 10-K and reports on Form 10-Q and Form 8-K. There may be additional risks, uncertainties and factors that we do not currently view as material or that are not necessarily known. The forward-looking statements included in this Quarterly Report on Form 10-Q are made only as of the date of this report, and we do not undertake any obligation to publicly update any forward-looking statements to reflect subsequent events or circumstances.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

There have been no significant changes to market risk since reported in our Annual Report on Form 10-K for the year ended December 31, 2022.

Item 4. Controls and Procedures.

Our chief executive officer and chief financial officer have concluded that, as of the end of the period covered by this report, our disclosure controls and procedures (as defined in Rules 13a-15(e) or 15d-15(e) of the Securities Exchange Act of 1934, as amended) were effective, based on the evaluation of these controls and procedures required by Rule 13a-15(b) or 15d-15(b) of the Securities Exchange Act of 1934, as amended.

No change in our internal control over financial reporting occurred during our last fiscal quarter that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings.

The information set forth in Note 13 to the consolidated financial statements appearing in Item 1 of Part I of this Quarterly Report on Form 10-Q under the caption “Legal Matters” is incorporated by reference herein.

Item 1A. Risk Factors.

There have been no material changes to risk factors previously disclosed in Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2022.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

Company Purchases of Equity Securities

In November 2010, we announced that our Board of Directors approved a program to repurchase \$1.5 billion of our common stock in open market purchases or other types of transactions (including accelerated stock repurchases or privately negotiated transactions). Since then, various increases totaling \$16.4 billion have been approved and announced, including most recently, an increase to the share repurchase program to a total availability of \$6.0 billion on July 28, 2016. During the first quarter of 2023, we did not purchase any shares under our publicly announced share repurchase program, which had remaining authorization of \$2.36 billion at March 31, 2023.

Item 6. Exhibits.

Exhibit No.	Description of Document
(10)	Material Contracts
	(a) Form of Terms and Conditions for Performance Share Units under ViacomCBS Inc. 2009 Long-Term Incentive Plan (filed herewith).*
	(b) Form of Terms and Conditions for Restricted Share Units under ViacomCBS Inc. 2009 Long-Term Incentive Plan (filed herewith).*
	(c) Summary of Paramount Global Compensation for Outside Directors (filed herewith).*
(31)	Rule 13a-14(a)/15d-14(a) Certifications
	(a) Certification of the Chief Executive Officer of Paramount Global, pursuant to Rule 13a-14(a), or 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes Oxley Act of 2002 (filed herewith).
	(b) Certification of the Chief Financial Officer of Paramount Global pursuant to Rule 13a-14(a), or 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes Oxley Act of 2002 (filed herewith).
(32)	Section 1350 Certifications
	(a) Certification of the Chief Executive Officer of Paramount Global furnished pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes Oxley Act of 2002 (furnished herewith).
	(b) Certification of the Chief Financial Officer of Paramount Global furnished pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes Oxley Act of 2002 (furnished herewith).
(101)	Interactive Data File
	101. INS XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
	101. SCH Inline XBRL Taxonomy Extension Schema.
	101. CAL Inline XBRL Taxonomy Extension Calculation Linkbase.
	101. DEF Inline XBRL Taxonomy Extension Definition Linkbase.
	101. LAB Inline XBRL Taxonomy Extension Label Linkbase.
	101. PRE Inline XBRL Taxonomy Extension Presentation Linkbase.
(104)	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

*Management contract or compensatory plan required to be filed as an exhibit to this form pursuant to Item 15(b).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

PARAMOUNT GLOBAL
(Registrant)

Date: May 4, 2023

/s/ Naveen Chopra

Naveen Chopra
*Executive Vice President,
Chief Financial Officer*

Date: May 4, 2023

/s/ Katherine Gill-Charest

Katherine Gill-Charest
*Executive Vice President, Controller and
Chief Accounting Officer*

Paramount Global**[] Terms and Conditions to the Performance Share Units****Granted under the ViacomCBS Inc. 2009 Long-Term Incentive Plan****ARTICLE I
TERMS OF PERFORMANCE SHARE UNITS**

Section 1.1 Grant of Performance Share Units. Paramount Global, a Delaware corporation (f/k/a ViacomCBS Inc., the “Company”), has awarded the Participant Performance Share Units (the “Performance Share Units” or “PSUs”) under the ViacomCBS Inc. 2009 Long-Term Incentive Plan, as amended from time to time (the “Plan”). The PSUs have been awarded to the Participant subject to the terms and conditions contained in (A) the certificate for the grant of PSUs, dated [], that was previously delivered to the Participant (the “Performance Share Units Certificate” or the “Certificate”), (B) the terms and conditions contained herein and (C) the Plan, the terms of which are hereby incorporated by reference (the items listed in (A), (B), and (C), collectively, the “Terms and Conditions”). A copy of the Plan and the Prospectus dated [] has been or will be made available to the Participant on the Morgan Stanley (or its successor’s) website or has been attached hereto.

Capitalized terms that are not otherwise defined herein have the meanings assigned to them in the Terms and Conditions. Performance Share Units are notional units of measurement and represent the right to receive a number of shares of the Class B Common Stock based on the Company’s performance against specific pre-determined goals.

Section 1.2 Terms of Performance Share Units.

(a) PSUs shall be tied to the achievement of relative total shareholder return or “Relative TSR”, as defined herein, measured over a three-year Performance Period commencing on [] and ending [], with the number of PSUs earned and underlying Shares delivered following the Determination Date based on the percentile rank of the Company’s TSR relative to the TSR of each other entity in the Reference Group, and determined according to the following schedule:

Award Schedule	
•	If the Company achieves less than the 25th percentile Relative TSR, the PSUs will be forfeited
•	If the Company achieves the 25th percentile Relative TSR, the number of Shares to be delivered under the award will be 50% of the Target Award
•	If the Company achieves the 50th percentile Relative TSR, the number of Shares to be delivered under the award will be 100% of the Target Award
•	If Company achieves the 75th percentile Relative TSR or greater, the number of Shares to be delivered under the award will be 200% of the Target Award

For Paramount Global Relative TSR achievement at an intermediate point between the 25th and 50th percentile, or between the 50th percentile and the 75th percentile, the number of Shares to be delivered will be interpolated between the respective percentages of Target Award at each of the percentiles. For example, if the Company were to achieve the 60th percentile Relative TSR, 140% of the Target Award would be delivered pursuant to this Section 1.2(a). Fractional Shares shall be rounded up to the nearest whole share.

For purposes of determining the Company's percentile rank, (i) any entity that filed for bankruptcy protection under the United States Bankruptcy Code during the Performance Period shall be assigned the lowest order of any entity in the Reference Group, and (ii) any entity that is acquired during the Performance Period, or otherwise no longer listed on a national securities exchange at the end of the Performance Period, shall be excluded from the Reference Group.

Except as otherwise provided herein, the PSUs earned shall vest on the Determination Date, subject to the Participant's continuous Service with the Company from the Date of Grant through the Determination Date. Any PSUs applicable to the Performance Target(s) and Performance Period that are no longer eligible to vest (due to the failure to achieve the applicable Performance Target achievement level(s)) shall immediately be forfeited and cancelled on the Determination Date, and the Participant shall not be entitled to any compensation or other amount with respect thereto.

(b) Settlement and Delivery of Shares. Shares delivered in settlement of the Performance Share Units will be delivered to the Participant (or, in the case of the Participant's death, to the person or persons who acquired the right to receive such shares by will, the laws of descent and distribution, or beneficiary designation), net of any shares withheld for Tax-Related Items pursuant to Section 4.2, as soon as administratively practicable following the Determination Date and the Committee's certification as to the Company's Relative TSR performance for the Performance Period; *provided, however*, that in no event shall settlement occur later than March 15th of the calendar year following the Determination Date. The Company will settle vested PSUs by delivering the corresponding number of shares of Class B Common Stock (subject to withholding to satisfy Tax-Related Items) to the Participant's stock plan account maintained with Morgan Stanley (or its successor as service provider to the Company's equity compensation plans). Following settlement, the Participant may direct Morgan Stanley (or its successor) to sell some or all of such shares, may leave such shares in such stock plan account or may transfer them to an account that the Participant maintains with a bank or broker by following the instructions made available to the Participant by the Company or on behalf of the Company by Morgan Stanley or its successor, as applicable. To the extent such shares are automatically swept from the Participant's Morgan Stanley stock plan account to a companion brokerage account maintained by an affiliate of Morgan Stanley, references to Morgan Stanley in the immediately preceding sentence shall include such Morgan Stanley affiliate that maintains the companion brokerage account.

(c) Dividend Equivalents. If the Company pays regular cash dividends on Class B Common Stock, Dividend Equivalents shall accrue on the PSUs until the PSUs are settled. The Company will credit such Dividend Equivalents when it pays the corresponding dividend on the Class B Common Stock. Accrued Dividend Equivalents will be subject to the same earning and forfeiture conditions as the underlying PSUs on which the Dividend Equivalents were accrued. Accrued Dividend Equivalents that have been credited to the Participant's account shall be paid in cash (reduced by amounts necessary to satisfy the Tax Related Items) through payroll in a lump sum as soon as administratively practicable after the date the PSUs on which the Dividend Equivalents accrued are settled; *provided, however*, if PSUs are scheduled to be settled between a dividend record date and a dividend payment date, the Dividend Equivalents payable with respect to the PSUs on account of such dividend will be paid in a lump sum based on the dividend payment date. Notwithstanding the foregoing, in no event shall Dividend Equivalents be paid later than March 15th of the calendar year following the calendar year in which the PSUs are earned.

The decision to pay a dividend and, if so, the amount of any such dividend, is determined by the Company in its sole discretion. Accrued Dividend Equivalents will not be paid with respect to any PSUs that are cancelled. Dividend Equivalents will not be credited with any interest or other return between the date they accrue and the date they are paid to the Participant.

(d) Termination of Employment.

(1) If, at the time of a Participant's Termination of Employment, the Participant is a party to an employment agreement with the Company or one of its

Subsidiaries or is covered by a written severance arrangement for the benefit of Company employees, in either case that contains provisions different from those set forth in Section 1.2(d)(2) below, then such different provisions will control so long as they are in effect and applicable to the Participant at the time of the Participant's Termination of Employment. Further, if any such written arrangement should provide for accelerated vesting of outstanding PSUs, then unless otherwise provided in the terms of such arrangement, such PSUs shall be deemed earned at the Target Award and settled as soon as administratively practicable following the Participant's termination date (without requirement by the Committee to certify performance), but in no event later than March 15th of the calendar year following the Participant's termination date. In the event that any such provision would cause the PSUs to be subject to the requirements of Section 409A, the vesting and settlement of the PSUs shall also comply with Section 4.6 hereof.

(2) Otherwise, in the event that the Participant incurs a Termination of Employment:

(A) due to the Participant's death or Permanent Disability:

1) prior to the Determination Date, then the Target Award (and all unvested Dividend Equivalents accrued thereon) will be deemed earned, certification by the Committee with respect to such PSUs shall not be required, and such PSUs will be settled as soon as administratively practicable following the Participant's termination date, but in no event later than March 15th of the calendar year following the Participant's termination date. Any PSUs in excess of the Target Award will be cancelled immediately; and

2) after the Determination Date and prior to settlement of the PSUs, the number of shares of Class B Common Stock that the Participant will receive will be the Shares determined in accordance with Section 1.2(a) and such Shares and any Dividend Equivalents accrued on the underlying PSUs will be delivered in accordance with Section 1.2(b) and Section 1.2(c), respectively.

(B) for any reason other than due to the Participant's death or Permanent Disability, then, unless otherwise determined by the Committee, the Participant shall forfeit all unearned PSUs (and all unearned Dividend Equivalents accrued thereon) as of the date of such Termination of Employment. Any PSUs that have been earned as of the date of Termination of Employment will be settled in accordance with Section 1.2(b).

ARTICLE II EFFECT OF CERTAIN CORPORATE CHANGES

In the event of a merger, consolidation, stock split, reverse stock split, dividend, distribution, combination, reclassification, reorganization, split-up, spin-off, split-off, or

recapitalization that changes the character, value, or amount of the Class B Common Stock or any other changes in the corporate structure, equity securities or capital structure of the Company, the Committee shall make such adjustments, if any, to the number and kind of securities subject to the Performance Share Units, as it deems appropriate. The Committee may, in its sole discretion, also make such other adjustments as it deems appropriate in order to preserve the benefits or potential benefits intended to be made available hereunder. Such determinations by the Committee shall be conclusive and binding on all persons for all purposes.

ARTICLE III DEFINITIONS

As used herein, the following terms shall have the following meanings:

- (a) “Board” shall mean the Board of Directors of the Company.
- (b) “Certificate” shall have the meaning set forth in Section 1.1 hereof.
- (c) “Class B Common Stock” shall mean shares of Class B Common Stock, par value \$0.001 per share, of the Company.
- (d) “Code” shall mean the U.S. Internal Revenue Code of 1986, as amended, including any successor law thereto and the rules, regulations and guidance promulgated thereunder.
- (e) “Committee” shall mean the Compensation Committee of the Board (or such other committee(s) as may be appointed or designated by the Board to administer the Plan).
- (f) “Company” shall mean Paramount Global, a Delaware corporation, or any successor.
- (g) “Date of Grant” shall mean the grant date set forth on the Certificate.
- (h) “Determination Date” means the last calendar day of the Performance Period.
- (i) “Dividend Equivalent” shall mean an amount in cash equal to the regular cash dividend, if any, that would have been paid on the number of shares of Class B Common Stock underlying the PSUs.
- (j) “Fair Market Value” of a share of Class B Common Stock on a given date shall be, unless otherwise determined by the Committee, the closing price on such date on the NASDAQ Global Select Market or, if different, the principal stock exchange on which the Class B Common Stock is then listed, as reported by any authoritative source selected by the Company in its discretion. If such date is not a business day on which the Fair Market Value can be determined, then the Fair Market Value shall be determined as of the last preceding business day on which the Fair Market Value can be determined.
- (k) “Good Reason” has the meaning assigned to such term in the Participant’s employment agreement with the Company or a Subsidiary as then in effect, if any.

(l) “Participant” shall mean the employee named in the Certificate.

(m) “Performance Share Units” shall mean notional units of measurement representing the contractual right granted to the Participant to receive shares of Class B Common Stock pursuant to this Award, subject to these Terms and Conditions.

(n) “Permanent Disability” shall have the same meaning as such term or a similar term has under the long-term disability plan or policy maintained by the Company or a Subsidiary under which the Participant has coverage and which is in effect on the date of the onset of the Participant's disability; *provided, however*, that if the Participant is not covered by a long-term disability plan or policy, then "Permanent Disability" shall have the meaning set forth in Section 22(e) of the Code.

(o) “Plan” shall mean the ViacomCBS Inc. 2009 Long-Term Incentive Plan, as may be amended from time to time.

(p) “Reference Group” means, in addition to the Company, the following companies:

- [Alphabet Inc. (NASDAQ: GOOGL)
- Altice USA, Inc.
- AMC Networks Inc.
- Cable One, Inc.
- Charter Communications, Inc.
- CineMark Holdings, Inc.
- Clear Channel Outdoor Holdings, Inc.
- Comcast Corporation
- DISH Network Corporation
- Fox Corporation (NASDAQ: FOXA)
- Gray Television, Inc. (NYSE: GTN)
- iHeartMedia, Inc.
- IMAX Corporation
- Liberty Global plc (NASDAQ: LBTY.K)
- Lions Gate Entertainment Corp. (NYSE: LGF.A)
- Meta Platforms, Inc.
- Netflix, Inc.
- Nextstar Media Group, Inc.
- Omincom Group Inc.
- Pinterest, Inc.
- Roku, Inc.
- Sinclair Broadcast Group, Inc.
- Sirius XM Holdings Inc.
- Snap Inc.
- Spotify Technology S.A.
- TEGNA Inc.
- The E.W. Scripps Company
- The Interpublic Group of Companies, Inc.
- The Trade Desk, Inc.
- The Walt Disney Company
- Warner Bros. Discovery, Inc.
- World Wrestling Entertainment, Inc.]

(q) “Relative TSR” means for the Class B Common Stock and for the common stock of each company in the Reference Group, the percentage change in value (positive or negative) over the Performance Period as measured by dividing (i) the sum of (A) each company’s cumulative value of dividends and other distributions in respect of its common stock for the Performance Period, assuming dividend reinvestment, and (B) the difference (positive or negative) between each company’s common stock price on the first and last

day of the Performance Period (calculated on the basis of the average closing prices over the 20-day trading period immediately prior to and including the first day of the Performance Period and the average closing prices over the 20-day trading period immediately prior to and including the Determination Date, in each case, as reported by Bloomberg L.P. (or such other reporting service that the Committee may designate from time to time)); by (ii) the common stock price on the first day of the Performance Period, calculated on the basis described above. Appropriate and equitable adjustments will be made to account for stock splits and reverse stock splits. Relative TSR will be determined by the Committee in a manner consistent with this definition. For purposes of computing Relative TSR, if a company has more than one class of common stock outstanding, then only the class for which the ticker symbol is set forth in the Reference Group definition herein shall be taken into account.

(r) “Shares” means the number of shares of Class B Common Stock delivered following the Determination Date based on the Award Schedule and other provisions set forth in Section 1.2 hereof.

(s) “Section 409A” shall mean Section 409A of the Code and the rules, regulations and guidance promulgated thereunder from time to time.

(t) “Subsidiary” shall mean a corporation or other entity with respect to which the Company owns or controls, directly or indirectly, 50% or more of the outstanding shares of stock normally entitled to vote for the election of directors (or comparable voting power), provided that the Committee may also designate any other corporation or other entity in which the Company, directly or indirectly, has an equity or similar interest corresponding to less than 50% of such voting power as a Subsidiary for purposes of the Plan.

(u) “Target Award” means the target number of shares, subject to the Company’s Relative TSR performance, reflected in the Certificate.

(v) “Tax-Related Items” means any federal, national, provincial, state, and/or local tax liability (including, but not limited to, income tax, social insurance contributions, payment on account, employment tax obligations, stamp taxes, and any other taxes) that may be due or required by law to be withheld, and/or any employer tax liability shifted to a Participant.

(w) “Termination of Employment” shall mean, for purposes of the PSUs, when a Participant is no longer an employee of the Company or any of its Subsidiaries for any reason, including, without limitation, a reduction in force, a sale or divestiture or shut-down of the business for which the Participant works, the Participant's voluntary resignation; the Participant’s resignation with Good Reason (provided such right to resign for Good Reason applies to the Participant through their employment agreement); the Participant's termination with or without cause; or the Participant's retirement, death or Permanent Disability. Also, unless the Committee determines otherwise, the employment of a Participant who works for a Subsidiary shall terminate, for purposes of the PSUs, on the date on which the Participant's employing company ceases to be a Subsidiary. Further, unless the Committee determines or a Participant’s employment agreement provides otherwise, a Participant’s resignation in connection with the Participant’s acceptance

of an offer of employment with the purchaser in a sale of the Participant's employing company's assets will be a "voluntary resignation."

ARTICLE IV MISCELLANEOUS

Section 4.1 No Rights to Awards or Continued Employment. None of the Certificate, the Plan, these terms and conditions, or any action taken in accordance with such documents shall confer upon the Participant any right to be employed by or to continue in the employment of the Company or any Subsidiary, or to be entitled to any remuneration or benefits not set forth in the Plan or the Terms and Conditions, including the right to receive any future awards under the Plan or any other plan of the Company or any Subsidiary or interfere with or limit the right of the Company or any Subsidiary to modify the terms of or terminate the Participant's employment at any time for any reason.

Section 4.2 Taxes. The Company or a Subsidiary, as appropriate, shall be entitled to deduct and withhold from any PSUs that vest and from any payment (including payment of accrued Dividend Equivalents) made with respect to the PSUs or otherwise under the Plan to the Participant, a Participant's estate or any permitted transferee or beneficiary an amount sufficient to satisfy any Tax-Related Items. The amount sufficient to satisfy the Tax-Related Items with respect to the vesting of PSUs shall be calculated by valuing the shares of Class B Common Stock on the date of vesting or such other date as determined by the Committee, in its sole discretion. Further, any shares of Class B Common Stock that are retained to satisfy the Tax-Related Items shall be valued based on the fair market value on the date that the amount sufficient to satisfy the Tax-Related Items is to be determined in accordance with the foregoing sentence.

In order to satisfy such Tax-Related Items, the Company may, in its discretion and subject to such conditions as it may determine, direct or permit, as a condition of the settlement of the PSUs, payment of the Dividend Equivalents, or delivery of any shares of Class B Common Stock, that such Tax-Related Items be satisfied by (i) withholding shares of Class B Common Stock (or in the case of Dividend Equivalents, cash) subject to the applicable PSUs; (ii) selling a portion of the shares of Class B Common Stock subject to the applicable PSUs and using the proceeds of such sale to satisfy the applicable Tax-Related Items; (iii) payment by the Participant of an additional cash amount equal to the amount of such Tax-Related Items; (iv) delivery of Class B Common Stock already owned by the Participant having a Fair Market Value equal to the amount of such Tax-Related Items; or (v) any other means available under applicable law and the Plan that the Company, in its sole discretion, determines to be appropriate in order to satisfy the Tax-Related Items.

As a condition to receiving this grant of PSUs, the Participant has agreed to take, or to allow the Company to take, in its discretion, the foregoing actions to satisfy such Tax Related Items.

Section 4.3 Stockholder Rights: Unsecured Creditor Status. The grant of PSUs under the Terms and Conditions shall not entitle the Participant, the Participant's estate, or any permitted transferee or beneficiary to any rights of a holder of shares of Class B Common Stock, unless, and only when, the Participant, the Participant's estate, or any

permitted transferee or beneficiary, as applicable, is registered on the books and records of the Company as a stockholder with respect to the shares of Class B Common Stock underlying the PSUs (or where the shares are permitted to be held in “street” name by a broker designated by the Participant (or the Participant’s estate, permitted transferee or beneficiary, as applicable) until such broker has been so registered), and shares are delivered to such party upon settlement of the PSUs or payment of the Dividend Equivalents. Unless otherwise determined by the Committee in its discretion or as specified herein, no adjustment shall be made for dividends or distributions or other rights in respect of any shares of Class B Common Stock for which the record date is prior to the date on which the Participant, a Participant’s estate, or any permitted transferee or beneficiary (or broker of any of the foregoing, if applicable) shall become the registered or beneficial holder of such shares of Class B Common Stock. PSUs constitute unsecured and unfunded obligations of the Company. As a holder of PSUs, the Participant shall have only the rights of a general unsecured creditor of the Company.

Section 4.4 No Restriction on Right of Company to Effect Corporate Changes. Neither the Plan, the Certificate (nor the terms set forth herein) shall affect in any way the right or power of the Company or its stockholders to make or authorize any or all adjustments, recapitalizations, reorganizations or other changes in the Company’s capital structure or its business, or any merger or consolidation of the Company, or any issue of stock or of options, warrants or rights to purchase stock or of bonds, debentures, preferred or prior preference stocks whose rights are superior to or affect the Class B Common Stock or the rights thereof or which are convertible into or exchangeable for Class B Common Stock, or the dissolution or liquidation of the Company, or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar character or otherwise.

Section 4.5 No Advice Regarding Award. The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Participant’s participation in the Plan, or his or her acquisition or sale of the shares of Class B Common Stock underlying the PSUs. The Participant should consult with his or her own personal tax, legal and financial advisors regarding his or her participation in the Plan before taking any action in relation thereto.

Section 4.6 Section 409A. The intent of the Company is that payments and distributions under these Terms and Conditions comply with Section 409A of the Code and, accordingly, to the maximum extent permitted, these Terms and Conditions shall be interpreted to be in compliance therewith. If any provision of the Certificate (or set forth herein) contravenes any regulations or Treasury guidance promulgated under Section 409A or could cause the Participant to be required to recognize income for United States federal income tax purposes with respect to any PSUs before such PSUs are settled or to be subject to any additional tax or interest under Section 409A, such provision may be modified to maintain, to the maximum extent practicable, the original intent of the applicable provision without the imposition of any additional tax or interest under Section 409A. Moreover, any discretionary authority that the Board or the Committee may have pursuant to the Certificate shall not be applicable to PSUs that are subject to Section 409A to the extent such discretionary authority will contravene Section 409A.

Notwithstanding anything herein to the contrary, if the Participant is deemed on the date of his or her "separation from service" (as determined by the Company pursuant to Section 409A) to be one of the Company's "specified employees" (as determined by the Company pursuant to Section 409A), then any portion of any of the Participant's PSUs that constitutes deferred compensation within the meaning of Section 409A and is payable or distributable upon the Participant's separation from service shall not be made or provided prior to the earlier of (i) the six-month anniversary of the date of the Participant's separation from service or (ii) the date of Participant's death (the "Delay Period"). All payments and distributions delayed pursuant to this Section 4.6 shall be paid or distributed to the Participant within thirty days following the end of the Delay Period, subject to the satisfaction of any Tax-Related Items, and any remaining payments and distributions due thereafter under these Terms and Conditions shall be paid or distributed in accordance with the dates specified for them herein. In no event shall the Company or any of its Subsidiaries be liable for any tax, interest or penalties that may be imposed on the Participant with respect to Section 409A.

Section 4.7 Amendment. The Committee shall have broad authority to amend the Terms and Conditions without approval of the Participant to the extent necessary or desirable (a) to comply with, or take into account changes in, applicable tax laws, securities laws, accounting rules and other applicable laws, rules and regulations or (b) to ensure that the Participant is not required to recognize income for United States federal income tax purposes with respect to any PSUs before such PSUs are settled and is not subject to additional tax or interest under Section 409A with respect to any PSUs. The Committee shall not be obligated to make any such amendment, however, and neither the Committee nor the Company makes any representation or guarantee that the PSUs will not be subject to additional tax or interest under Section 409A.

Section 4.8 Interpretation. In the event of any conflict between the provisions of the Certificate or these terms and conditions (including the definitions set forth herein) and those of the Plan, the provisions of the Plan will control. Additionally, in the event of a conflict or ambiguity between the provisions of the Terms and Conditions and the provisions of any employment agreement that is in effect and applicable to the Participant with respect to the PSUs, the provisions of such employment agreement shall be deemed controlling to the extent such provisions are consistent with the provisions of the Plan and are more favorable to the Participant than the provisions of the Certificate and these terms and conditions.

Section 4.9 Breach of Covenants. In the event that (i) the Participant is party to an employment agreement or other agreement with the Company or one of its Subsidiaries containing restrictive covenants relating to non-competition, no solicitation of employees, confidential information or proprietary property, and (ii) the Committee makes a good faith determination at any time that the Participant committed a material breach of any such restrictive covenants during the Participant's employment or the one-year period after termination of the Participant's employment with the Company or a Subsidiary for any reason, then (x) the Participant shall be required to return to the Company all Shares received by him or her as a result of the vesting of the PSUs during the one year period prior to such breach or any time after such breach occurs, and the cash payment of related accrued Dividend Equivalents; *provided, however*, to the extent that any such Shares within the one-year period prior to such breach were sold by the

Participant, the Participant shall remit to the Company any proceeds realized on the sale of such Shares, whether such sale occurred during the one year period prior to such breach or any time after such breach occurs, and (y) notwithstanding any provision of the Terms and Conditions or any other agreement between the Company and the Participant, including any agreement referenced in Section 1.2(d) hereof, under no circumstances will any unvested PSUs vest following the Committee's determination that Participant has committed a material breach.

Section 4.10 Entire Agreement. Except to the extent provided in a valid and binding employment agreement or severance agreement, the Terms and Conditions constitute the entire understanding and agreement between the Company and the Participant with respect to the subject matter hereof and supersede all prior and contemporaneous agreements or understandings, inducements or conditions, express or implied, written or oral, between the Company and the Participant with respect hereto. The express terms of the Terms and Conditions control and supersede any course of performance or usage of the trade inconsistent with any of the terms hereof.

Section 4.11 Governmental Regulations. The PSUs shall be subject to all applicable rules and regulations of governmental or other authorities.

Section 4.12 Repayment / Forfeiture. Any benefits the Participant may receive hereunder shall be subject to repayment or forfeiture as may be required to comply with (i) Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (regarding recovery of erroneously awarded compensation) and any implementing rules, regulations and/or listing standards of the U.S. Securities and Exchange Commission and of the national securities exchange on which the Company is then listed adopted in accordance therewith, (ii) similar rules under the laws of any other jurisdiction and (iii) any policies adopted by the Company to implement such requirements or otherwise pertaining to or concerning the recovery of erroneously awarded compensation, all to the extent determined by the Company in its discretion to be applicable to the Participant.

Section 4.13 Headings. The headings of articles and sections herein are included solely for convenience of reference and shall not affect the meaning of any of the provisions of this document.

Section 4.14 Electronic Delivery and Acceptance. The Company may, in its sole discretion, deliver any documents related to Awards granted under the Plan and participation in the Plan, or future Awards that may be granted under the Plan, by electronic means or request the Participant's consent to participate in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and, if requested, agrees to participate in the Plan through an on-line, electronic and/or voice activated system established and maintained by the Company or a third party designated by the Company. Further, unless the Participant declines an Award by written notice to the Company no later than 30 days following the grant date or such other date that may be communicated by the Company, the Company will automatically accept the Award, subject to all terms and conditions set forth in these Terms and Conditions, the Certificate and the Plan, on the Participant's behalf. If the Participant properly declines the Award, the Award

will be cancelled and the Participant will not be entitled to any benefits from the Award nor any compensation or benefits in lieu of the cancelled Award.

Section 4.15 Severability. The provisions of this document are severable, and, if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions nevertheless shall be binding and enforceable.

Section 4.16 Governing Law and Venue. These terms and conditions and all rights hereunder shall be construed in accordance with and governed by the laws of the State of Delaware, without regard to the conflict of law provisions. For purposes of litigating any dispute that arises under this PSU grant or these Terms and Conditions, the parties hereby submit and consent to the exclusive jurisdiction of the State of New York, agree that such litigation shall be conducted exclusively in the courts of New York, New York, or the federal courts for the United States for the Southern District of New York, where this grant is made and/or to be performed.

Section 4.17 Waiver. The Participant acknowledges that a waiver by the Company of breach of the Terms and Conditions shall not operate or be construed as a waiver of any other provision of the Terms and Conditions, or of any subsequent breach by the Participant or any other Participant.

Section 4.18 Stock Plan Accounts. If the Participant is a Plan participant in the United States, the Company shall be entitled to access the information contained in the Participant's individual stock plan account maintained by the applicable plan administrator; *provided, however*, that the Company may not disclose individual account information to third parties (other than the plan administrator), unless required by applicable law.

Section 4.19 Restriction on Transfer. The rights of the Participant with respect to the PSUs (including any Dividend Equivalents associated with such PSUs) shall not be transferable, except by will, the laws of descent and distribution, or beneficiary designation (if permitted); *provided, however*, that the Committee may permit other transferability, subject to any conditions and limitations that it may, in its sole discretion, impose.

Section 4.20 Appendix. Notwithstanding any provisions of the Terms and Conditions to the contrary, the PSUs and any shares of Class B Common Stock acquired at vesting shall be subject to any special terms and conditions for the Participant's country of residence (and/or country of employment, if different) set forth in an appendix to the Terms and Conditions (the "Appendix"). Further, if the Participant transfers residence and/or employment to another country reflected in the Appendix, then, at the time of transfer, the special terms and conditions for such country will apply to the Participant to the extent the Company determines, in its sole discretion, that the application of such special terms and conditions is necessary or advisable in order to comply with local law, rules and regulations or to facilitate the operation and administration of the PSUs and the Plan (or the Company may establish alternative terms and conditions as may be necessary or advisable to accommodate the Participant's transfer). In all circumstances, any applicable Appendix provisions shall constitute part of the Terms and Conditions.

The Participant will be deemed to have agreed to all Terms and Conditions (as set forth in the Certificate, this document, and the Plan), unless the Participant provides the Company with a written notice of rejection within 30 days of receipt of the Terms and Conditions. Any such notice may be addressed to the Company at the following email address: stockplanadministrator@paramount.com. If a Participant properly declines the Award, the Award will be cancelled and such Participant will not be entitled to any benefits from the Award or any compensation or benefits in lieu of the cancelled Award.

If there is a discrepancy between any information set forth on the Paramount Stock Plans webpage and the official records maintained by the Company, the official records will prevail.

Paramount Global
20[] Terms and Conditions to the Restricted Share Units

Granted under the ViacomCBS Inc. 2009 Long-Term Incentive Plan

ARTICLE I
TERMS OF RESTRICTED SHARE UNITS

Section 1.1 Grant of Restricted Share Units. Paramount Global, a Delaware corporation (f/k/a ViacomCBS Inc., the “Company”), has awarded the Participant Restricted Share Units (the “RSUs”) under the ViacomCBS Inc. 2009 Long-Term Incentive Plan, as amended from time to time (the “Plan”). The RSUs have been awarded to the Participant subject to the terms and conditions contained in (A) the certificate for the grant of RSUs, dated [], that was previously delivered to the Participant (the “Restricted Share Units Certificate” or the “Certificate”), (B) the terms and conditions contained herein and (C) the Plan, the terms of which are hereby incorporated by reference (the items listed in (A), (B), and (C), collectively, the “Terms and Conditions”). A copy of the Plan and the Prospectus dated [] has been or will be made available to the Participant on the Morgan Stanley (or its successor’s) website or has been attached hereto.

Capitalized terms that are not otherwise defined herein have the meanings assigned to them in the Terms and Conditions. Each Restricted Share Unit represents the right to receive one share of Class B Common Stock, subject to the Terms and Conditions.

Section 1.2 Terms of RSUs.

(a) General and Vesting. Subject to the other terms and conditions in the Certificate and in the Plan, the RSUs shall vest in three (3) installments of an approximately equal whole number of RSUs on each of the first, second and third anniversaries of the Date of Grant, except that any fractional RSUs resulting from this vesting schedule will be aggregated and will vest on whichever of such vesting dates as shall be determined by the Company in its discretion; *provided, however*, the RSUs shall vest in accordance with the circumstances described in Section 1.2(d) hereof.

(b) Settlement and Delivery of Shares. On the date each portion of the RSUs vests, that portion of the RSUs that has vested shall be payable in shares of Class B Common Stock, which may be evidenced in such manner as the Committee in its discretion shall deem appropriate, including, without limitation, book-entry registration; *provided, however*, that such shares shall bear such legends as the Committee, in its discretion, may determine to be necessary or advisable. The Company currently does not issue share certificates for the Class B Common Stock. Settlement of vested RSUs shall occur as soon as administratively practicable, and in any event within 60 days following the applicable vesting date. The Company will settle vested RSUs by delivering the corresponding number of shares of Class B Common Stock (subject to withholding to satisfy Tax-Related Items) to the Participant's stock plan account maintained with Morgan Stanley (or its successor as service provider to the Company's equity compensation plans). Following settlement, the Participant may direct Morgan Stanley (or its successor) to sell some or all of such shares, may leave such shares in such stock plan account or may transfer them to an account that the Participant maintains with a bank or broker by following the instructions made available to the Participant by the Company or on behalf of the Company by

Morgan Stanley or its successor, as applicable. To the extent such shares are automatically swept from the Participant's Morgan Stanley stock plan account to a companion brokerage account maintained by an affiliate of Morgan Stanley, references to Morgan Stanley in the immediately preceding sentence shall include such Morgan Stanley affiliate that maintains the companion brokerage account.

(c) Dividend Equivalents. If the Company pays regular cash dividends on Class B Common Stock, Dividend Equivalents shall accrue on the RSUs until the RSUs are settled. The Company will credit such Dividend Equivalents when it pays the corresponding dividend on the Class B Common Stock. Accrued Dividend Equivalents will be subject to the same vesting and forfeiture conditions as the underlying RSUs on which the Dividend Equivalents were accrued. Accrued Dividend Equivalents that have been credited to the Participant's account shall be paid in cash (reduced by amounts necessary to satisfy the Tax Related Items) through payroll in a lump sum as soon as administratively practicable after the date the RSUs on which the Dividend Equivalents accrued and are settled; *provided, however*, if RSUs are scheduled to vest and be settled between a dividend record date and a dividend payment date, the Dividend Equivalents payable with respect to the RSUs on account of such dividend will be paid in a lump sum based on the dividend payment date. Notwithstanding the foregoing, in no event shall Dividend Equivalents be paid later than March 15th of the calendar year following the calendar year in which the RSUs vest.

The decision to pay a dividend and, if so, the amount of any such dividend, is determined by the Company in its sole discretion. Accrued Dividend Equivalents will not be paid with respect to any RSUs that do not vest and are cancelled. Dividend Equivalents will not be credited with any interest or other return between the date they accrue and the date they are paid to the Participant.

(d) Termination of Employment.

(1) If, at the time of a Participant's Termination of Employment, the Participant is a party to an employment agreement with the Company or one of its Subsidiaries or is covered by a written severance arrangement for the benefit of Company employees, in either case that contains provisions different from those set forth in Section 1.2(d)(2) below, then such different provisions will control so long as they are in effect and applicable to the Participant at the time of the Participant's Termination of Employment. In the event that any such provision would cause the RSUs to be subject to the requirements of Section 409A, the vesting and settlement of the RSUs shall also comply with Section 4.6 hereof.

(2) Otherwise, in the event that the Participant incurs a Termination of Employment prior to the date or dates on which the RSUs vest in accordance with Section 1.2(a) hereof:

(a) due to the Participant's death or Permanent Disability, then the unvested RSUs (and all unvested Dividend Equivalents accrued thereon) shall immediately vest and be settled in accordance with Section 1.2(b) hereof; or

(b) for any reason other than due to the Participant's death or Permanent Disability, then, unless the Committee determines otherwise and provides that some or all of such Participant's unvested RSUs shall vest as of the date of such event, the Participant shall forfeit all unvested RSUs (and all unvested Dividend Equivalents accrued thereon) as of the date of such Termination of Employment.

(3) In all cases of vesting, shares of Class B Common Stock shall be delivered in accordance with Section 1.2(b) hereof to the Participant or, in the case of the Participant's death, to the person or persons who acquired the right to receive such shares by will, the laws of descent and distribution, or beneficiary designation.

ARTICLE II EFFECT OF CERTAIN CORPORATE CHANGES

In the event of a merger, consolidation, stock split, reverse stock split, dividend, distribution, combination, reclassification, reorganization, split-up, spin-off, split off or recapitalization that changes the character, value or amount of the Class B Common Stock or any other changes in the corporate structure, equity securities or capital structure of the Company, the Committee shall make such adjustments, if any, to the number and kind of securities subject to the RSUs, as it deems appropriate. The Committee may, in its sole discretion, also make such other adjustments as it deems appropriate in order to preserve the benefits or potential benefits intended to be made available hereunder. Such determinations by the Committee shall be conclusive and binding on all persons for all purposes.

ARTICLE III DEFINITIONS

As used herein, the following terms shall have the following meanings:

- (a) "Board" shall mean the Board of Directors of the Company.
- (b) "Certificate" shall have the meaning set forth in Section 1.1 hereof.
- (c) "Class B Common Stock" shall mean shares of Class B Common Stock, par value \$0.001 per share, of the Company.
- (d) "Code" shall mean the U.S. Internal Revenue Code of 1986, as amended, including any successor law thereto and the rules, regulations and guidance promulgated thereunder.
- (e) "Committee" shall mean the Compensation Committee of the Board (or such other committee(s) as may be appointed or designated by the Board to administer the Plan).
- (f) "Company" shall mean Paramount Global, a Delaware corporation, or any successor.

- (g) “Date of Grant” shall mean the grant date set forth on the Certificate.
- (h) “Dividend Equivalent” shall mean an amount in cash equal to the regular cash dividend, if any, that would have been paid on the number of shares of Class B Common Stock underlying the RSUs.
- (i) “Fair Market Value” of a share of Class B Common Stock on a given date shall be, unless otherwise determined by the Committee, the closing price on such date on the NASDAQ Global Select Market or, if different, the principal stock exchange on which the Class B Common Stock is then listed, as reported by any authoritative source selected by the Company in its discretion. If such date is not a business day on which the Fair Market Value can be determined, then the Fair Market Value shall be determined as of the last preceding business day on which the Fair Market Value can be determined.
- (j) “Good Reason” has the meaning assigned to such term in the Participant’s employment agreement with the Company or a Subsidiary as then in effect, if any.
- (k) “Participant” shall mean the employee named in the Certificate.
- (l) “Permanent Disability” shall have the same meaning as such term or a similar term has under the long-term disability plan or policy maintained by the Company or a Subsidiary under which the Participant has coverage and which is in effect on the date of the onset of the Participant's disability; *provided, however*, that if the Participant is not covered by a long-term disability plan or policy, then “Permanent Disability” shall have the meaning set forth in Section 22(e) of the Code.
- (m) “Plan” shall mean the ViacomCBS Inc. 2009 Long-Term Incentive Plan, as may be amended from time to time.
- (n) “Restricted Share Units” or “RSUs” shall mean the contractual right granted to the Participant to receive shares of Class B Common Stock pursuant to this Award, subject to the Terms and Conditions.
- (o) “Section 409A” shall mean Section 409A of the Code and the rules, regulations and guidance promulgated thereunder from time to time.
- (p) “Subsidiary” shall mean a corporation or other entity with respect to which the Company owns or controls, directly or indirectly, 50% or more of the outstanding shares of stock normally entitled to vote for the election of directors (or comparable voting power), provided that the Committee may also designate any other corporation or other entity in which the Company, directly or indirectly, has an equity or similar interest corresponding to less than 50% of such voting power as a Subsidiary for purposes of the Plan.
- (q) “Tax-Related Items” means any federal, national, provincial, state, and/or local tax liability (including, but not limited to, income tax, social insurance contributions, payment on account, employment tax obligations, stamp taxes, and any other taxes) that may be due or required by law to be withheld, and/or any employer tax liability shifted to a Participant.

(r) “Termination of Employment” shall mean, for purposes of the RSUs, when a Participant is no longer an employee of the Company or any of its Subsidiaries for any reason, including, without limitation, a reduction in force, a sale or divestiture or shut-down of the business for which the Participant works, the Participant's voluntary resignation; the Participant's resignation with Good Reason (provided such right to resign for Good Reason applies to the Participant through their employment agreement); the Participant's termination with or without cause; or the Participant's retirement, death or Permanent Disability. Also, unless the Committee determines otherwise, the employment of a Participant who works for a Subsidiary shall terminate, for purposes of the RSUs, on the date on which the Participant's employing company ceases to be a Subsidiary. Further, unless the Committee determines or a Participant's employment agreement provides otherwise, a Participant's resignation in connection with the Participant's acceptance of an offer of employment with the purchaser in a sale of the Participant's employing company's assets will be a “voluntary resignation.”

(s) “Terms and Conditions” shall have the meaning set forth in section 1.1 hereof.

ARTICLE IV MISCELLANEOUS

Section 4.1 No Rights to Awards or Continued Employment. None of the Certificate, the Plan, these terms and conditions, or any action taken in accordance with such documents shall confer upon the Participant any right to be employed by or to continue in the employment of the Company or any Subsidiary, or to be entitled to any remuneration or benefits not set forth in the Terms and Conditions, including the right to receive any future awards under the Plan or any other plan of the Company or any Subsidiary or interfere with or limit the right of the Company or any Subsidiary to modify the terms of or terminate the Participant's employment at any time for any reason.

Section 4.2 Taxes. The Company or a Subsidiary, as appropriate, shall be entitled to deduct and withhold from any RSUs that vest and from any payment (including payment of accrued Dividend Equivalents) made with respect to the RSUs or otherwise under the Plan to the Participant, a Participant's estate or any permitted transferee or beneficiary an amount sufficient to satisfy any Tax-Related Items. The amount sufficient to satisfy the Tax-Related Items with respect to the vesting of RSUs shall be calculated by valuing the shares of Class B Common Stock on the date of vesting or such other date as determined by the Committee, in its sole discretion. Further, any shares of Class B Common Stock that are retained to satisfy the Tax-Related Items shall be valued based on the fair market value on the date that the amount sufficient to satisfy the Tax-Related Items is to be determined in accordance with the foregoing sentence.

In order to satisfy such Tax-Related Items, the Company may, in its discretion and subject to such conditions as it may determine, direct, or permit, as a condition of the settlement of the RSUs, payment of the Dividend Equivalents, or delivery of any shares of Class B Common Stock, that such Tax-Related Items be satisfied by (i) withholding shares of Class B Common Stock (or in the case of Dividend Equivalents, cash) subject to the applicable RSUs (and/or Dividend Equivalents); (ii) selling a portion of the shares of Class B Common Stock subject to the applicable RSUs and using the proceeds of such sale to

satisfy the applicable Tax-Related Items; (iii) payment by the Participant of an additional cash amount equal to the amount of such Tax-Related Items; (iv) delivery of Class B Common Stock already owned by the Participant having a Fair Market Value equal to the amount of such Tax-Related Items; or (v) any other means available under applicable law and the Plan that the Company, in its sole discretion, determines to be appropriate in order to satisfy the Tax-Related Items.

As a condition to receiving this grant of RSUs, the Participant has agreed to take, or to allow the Company to take, in its discretion, the foregoing actions to satisfy such Tax Related Items.

Section 4.3 Stockholder Rights: Unsecured Creditor Status. The grant of RSUs under the Terms and Conditions shall not entitle the Participant, the Participant's estate, or any permitted transferee or beneficiary to any rights of a holder of shares of Class B Common Stock, unless, and only when, the Participant, the Participant's estate, or any permitted transferee or beneficiary, as applicable, is registered on the books and records of the Company as a stockholder with respect to the shares of Class B Common Stock underlying the RSUs (or where the shares are permitted to be held in "street" name by a broker designated by the Participant (or the Participant's estate, permitted transferee or beneficiary, as applicable) until such broker has been so registered), and shares are delivered to such party upon settlement of the RSUs or payment of the Dividend Equivalents. Unless otherwise determined by the Committee in its discretion or as specified herein, no adjustment shall be made for dividends or distributions or other rights in respect of any shares of Class B Common Stock for which the record date is prior to the date on which the Participant, a Participant's estate, or any permitted transferee or beneficiary (or broker of any of the foregoing, if applicable) shall become the registered or beneficial holder of such shares of Class B Common Stock. RSUs constitute unsecured and unfunded obligations of the Company. As a holder of RSUs, the Participant shall have only the rights of a general unsecured creditor of the Company.

Section 4.4 No Restriction on Right of Company to Effect Corporate Changes. Neither the Plan nor the Certificate (nor the terms and conditions set forth herein) shall affect in any way the right or power of the Company or its stockholders to make or authorize any or all adjustments, recapitalizations, reorganizations or other changes in the Company's capital structure or its business, or any merger or consolidation of the Company, or any issue of stock or of options, warrants or rights to purchase stock or of bonds, debentures, preferred or prior preference stocks whose rights are superior to or affect the Class B Common Stock or the rights thereof or which are convertible into or exchangeable for Class B Common Stock, or the dissolution or liquidation of the Company, or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar character or otherwise.

Section 4.5 No Advice Regarding Award. The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Participant's participation in the Plan, or his or her acquisition or sale of the shares of Class B Common Stock underlying the RSUs. The Participant should consult with his or her own personal tax, legal and financial advisors regarding his or her participation in the Plan before taking any action in relation thereto.

Section 4.6 Section 409A. The intent of the Company is that payments and distributions under the Terms and Conditions comply with Section 409A of the Code and, accordingly, to the maximum extent permitted, the Terms and Conditions shall be interpreted to be in compliance therewith. If any provision of the Certificate (or set forth herein) contravenes any regulations or Treasury guidance promulgated under Section 409A or could cause the Participant to be required to recognize income for United States federal income tax purposes with respect to any RSUs before such RSUs are settled or to be subject to any additional tax or interest under Section 409A, such provision may be modified to maintain, to the maximum extent practicable, the original intent of the applicable provision without the imposition of any additional tax or interest under Section 409A. Moreover, any discretionary authority that the Board or the Committee may have pursuant to the Certificate shall not be applicable to RSUs that are subject to Section 409A to the extent such discretionary authority will contravene Section 409A.

Notwithstanding anything herein to the contrary, if the Participant is deemed on the date of his or her "separation from service" (as determined by the Company pursuant to Section 409A) to be one of the Company's "specified employees" (as determined by the Company pursuant to Section 409A), then any portion of any of the Participant's RSUs that constitutes deferred compensation within the meaning of Section 409A and is payable or distributable upon the Participant's separation from service shall not be made or provided prior to the earlier of (i) the six-month anniversary of the date of the Participant's separation from service or (ii) the date of Participant's death (the "Delay Period"). All payments and distributions delayed pursuant to this Section 4.6 shall be paid or distributed to the Participant within thirty days following the end of the Delay Period, subject to the satisfaction of any Tax-Related Items, and any remaining payments and distributions due thereafter under the Terms and Conditions shall be paid or distributed in accordance with the dates specified for them herein. In no event shall the Company or any of its Subsidiaries be liable for any tax, interest or penalties that may be imposed on the Participant with respect to Section 409A.

Section 4.7 Amendment. The Committee shall have broad authority to amend the Terms and Conditions without approval of the Participant to the extent necessary or desirable (a) to comply with, or take into account changes in, applicable tax laws, securities laws, accounting rules and other applicable laws, rules and regulations or (b) to ensure that the Participant is not required to recognize income for United States federal income tax purposes with respect to any RSUs before such RSUs are settled and is not subject to additional tax or interest under Section 409A with respect to any RSUs. The Committee shall not be obligated to make any such amendment, however, and neither the Committee nor the Company makes any representation or guarantee that the RSUs will not be subject to additional tax or interest under Section 409A.

Section 4.8 Interpretation. In the event of any conflict between the provisions of the Certificate or these terms and conditions (including the definitions set forth herein) and those of the Plan, the provisions of the Plan will control. Additionally, in the event of a conflict or ambiguity between the provisions of the Terms and Conditions and the provisions of any employment agreement that is in effect and applicable to the Participant with respect to the RSUs, the provisions of such employment agreement will control to the extent such provisions are consistent with the provisions of the Plan and are more favorable to the Participant than the provisions of the Certificate and these terms and conditions.

Section 4.9 Breach of Covenants. In the event that (i) the Participant is party to an employment agreement or other agreement with the Company or one of its Subsidiaries containing restrictive covenants relating to non-competition, no solicitation of employees, confidential information or proprietary property, and (ii) the Committee makes a good faith determination at any time that the Participant committed a material breach of any such restrictive covenants during the Participant's employment or the one-year period after termination of the Participant's employment with the Company or a Subsidiary for any reason, then (x) the Participant shall be required to return to the Company all shares of Class B Common Stock received by him or her as a result of the vesting of the RSUs during the one year period prior to such breach or any time after such breach occurs, and the cash payment of related accrued Dividend Equivalents; *provided, however*, to the extent that any such shares of Class B Common Stock received in settlement of the Restricted Share Units within the one-year period prior to such breach were sold by the Participant, the Participant shall remit to the Company any proceeds realized on the sale of such shares of Class B Common Stock, whether such sale occurred during the one year period prior to such breach or any time after such breach occurs, and (y) notwithstanding any provision of the Terms and Conditions or any other agreement between the Company and the Participant, including any agreement referenced in Section 1.2(d) hereof, under no circumstances will any unvested RSUs vest following the Committee's determination that Participant has committed a material breach.

Section 4.10 Entire Agreement. Except to the extent provided in a valid and binding employment agreement or severance agreement, the Terms and Conditions constitute the entire understanding and agreement between the Company and the Participant with respect to the subject matter hereof and supersede all prior and contemporaneous agreements or understandings, inducements or conditions, express or implied, written or oral, between the Company and the Participant with respect hereto. The express terms of the Terms and Conditions control and supersede any course of performance or usage of the trade inconsistent with any of the terms hereof.

Section 4.11 Governmental Regulations. The RSUs shall be subject to all applicable rules and regulations of governmental or other authorities.

Section 4.12 Repayment / Forfeiture. Any benefits the Participant may receive hereunder shall be subject to repayment or forfeiture as may be required to comply with (i) Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (regarding recovery of erroneously awarded compensation) and any implementing rules, regulations and/or listing standards of the U.S. Securities and Exchange Commission and of the national securities exchange on which the Company is then listed adopted in accordance therewith, (ii) similar rules under the laws of any other jurisdiction and (iii) any policies adopted by the Company to implement such requirements, all to the extent determined by the Company in its discretion to be applicable to the Participant.

Section 4.13 Headings. The headings of articles and sections herein are included solely for convenience of reference and shall not affect the meaning of any of the provisions of this document.

Section 4.14 Electronic Delivery and Acceptance. The Company may, in its sole discretion, deliver any documents related to Awards granted under the Plan and participation in the Plan, or future Awards that may be granted under the Plan, by electronic means or request the Participant's consent to participate in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and, if requested, agrees to participate in the Plan through an on-line, electronic and/or voice activated system established and maintained by the Company or a third party designated by the Company. Further, unless the Participant declines an Award by written notice to the Company no later than 30 days following the grant date or such other date that may be communicated by the Company, the Company will automatically accept the Award, subject to all terms and conditions set forth in these Terms and Conditions, the Certificate and the Plan, on the Participant's behalf. If the Participant properly declines the Award, the Award will be cancelled and the Participant will not be entitled to any benefits from the Award nor any compensation or benefits in lieu of the cancelled Award.

Section 4.15 Severability. The provisions of this document are severable, and, if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions nevertheless shall be binding and enforceable.

Section 4.16 Governing Law and Venue. These terms and conditions and all rights hereunder shall be construed in accordance with and governed by the laws of the State of Delaware, without regard to the conflict of law provisions. For purposes of litigating any dispute that arises under this RSU grant or the Terms and Conditions, the parties hereby submit and consent to the exclusive jurisdiction of the State of New York, agree that such litigation shall be conducted exclusively in the courts of New York, New York, or the federal courts for the United States for the Southern District of New York, where this grant is made and/or to be performed.

Section 4.17 Waiver. The Participant acknowledges that a waiver by the Company of breach of the Terms and Conditions shall not operate or be construed as a waiver of any other provision of the Terms and Conditions, or of any subsequent breach by the Participant or any other Participant.

Section 4.18 Stock Plan Accounts. If the Participant is a Plan participant in the United States, the Company shall be entitled to access the information contained in the Participant's individual stock plan account maintained by the applicable plan administrator; *provided, however*, that the Company may not disclose individual account information to third parties (other than the plan administrator), unless required by applicable law.

Section 4.19 Restriction on Transfer. The rights of the Participant with respect to the RSUs (including any Dividend Equivalents associated with such RSUs) shall not be transferable, except by will, the laws of descent and distribution, or by beneficiary designation (if permitted); *provided, however*, that the Committee may permit other transferability, subject to any conditions and limitations that it may, in its sole discretion, impose.

Section 4.20 Appendix. Notwithstanding any provisions of the Terms and Conditions to the contrary, the RSUs and any shares of Class B Common Stock acquired at vesting shall be subject to any special terms and conditions for the Participant's country of residence (and/or

country of employment, if different) set forth in an appendix to the Terms and Conditions (the “Appendix”). Further, if the Participant transfers residence and/or employment to another country reflected in the Appendix, then, at the time of transfer, the special terms and conditions for such country will apply to the Participant to the extent the Company determines, in its sole discretion, that the application of such special terms and conditions is necessary or advisable in order to comply with local law, rules and regulations or to facilitate the operation and administration of the RSUs and the Plan (or the Company may establish alternative terms and conditions as may be necessary or advisable to accommodate the Participant’s transfer). In all circumstances, any applicable Appendix provisions shall constitute part of the Terms and Conditions.

The Participant will be deemed to have agreed to all Terms and Conditions (as set forth in the Certificate, this document, and the Plan), unless the Participant provides the Company with a written notice of rejection within 30 days of receipt of the Terms and Conditions. Any such notice may be addressed to the Company at the following email address: stockplanadministrator@paramount.com. If a Participant properly declines the Award, the Award will be cancelled and such Participant will not be entitled to any benefits from the Award or any compensation or benefits in lieu of the cancelled Award.

If there is a discrepancy between any information set forth on the Paramount Stock Plans webpage and the official records maintained by the Company, the official records will prevail.

Summary of Paramount Global Compensation for Outside Directors
(As of December 16, 2022)

Members of the Board of Directors (the “Board”) of Paramount Global (the “Company”) who are not employees of the Company or any of its subsidiaries (the “Outside Directors”) receive compensation for their service as follows:

CASH COMPENSATION

- The Chair of the Board receives an annual Board retainer of \$300,000, the Vice Chair of the Board, if any, receives an annual retainer of \$225,000 and all other Outside Directors receive an annual Board retainer of \$100,000, in each case payable in equal installments quarterly in advance; and
- The Chairs of the Audit, Compensation and Nominating and Governance Committees each receive an annual retainer of \$20,000, payable in equal installments quarterly in advance, and the members of those Committees each receive a per meeting attendance fee of \$2,000; the Chairs and members of any ad hoc committees of the Board that may exist from time to time shall be paid as determined by the Board.

Outside Directors may elect to defer their cash compensation under the Company’s Deferred Compensation Plan for Outside Directors.

EQUITY COMPENSATION

Restricted Share Units (RSUs):

- Each calendar year beginning with calendar year 2023¹, Outside Directors receive an annual grant of RSUs on the date of the annual meeting of the Company’s stockholders (“Annual Meeting”), equal to \$200,000 in value based on the average closing price of the Company’s Class B common stock on the Nasdaq stock market (“NASDAQ”) over the 20-trading day period immediately preceding and including the date of grant (or, if the date of grant is not a day on which the NASDAQ is open for trading, including the last trading day preceding the date of grant) (the “20-Trading Day Value”), which RSUs vest on the earlier of (i) the date of the Annual Meeting for the next calendar year and (ii) one year from the date of grant; and
- Outside Directors who join the Board following the date of the annual RSU grant, but at least one month before the next Annual Meeting, receive prorated RSU grants. Such grants will be made five business days following the date such Outside Director joins the Board, and will be determined by multiplying the number of months between the date the Outside Director joins the Board and the date of the Annual Meeting (rounding up to

¹ In respect of the transition to the new grant date, for 2023 Outside Directors also receive a one-time grant of RSUs with a grant date of March 1, 2023 and a number of RSUs determined by dividing (i) the product of (a) \$200,000 divided by 12 and (b) the number of months from February 15, 2023 to the anticipated date of the 2023 Annual Meeting as of March 1, 2022 (rounding up to the next complete month), by (ii) the 20-Trading Day Value, with any fractional RSU rounded up to the nearest whole RSU.

the nearest whole month), by the value of the annual RSU grant for that calendar year divided by 12, divided by the 20-Trading Day Value. Prorated RSU grants vest on the same date as the annual RSU grant that immediately precedes the date the Outside Director received such prorated RSU grant.

RSUs are payable to Outside Directors in shares of the Company's Class B common stock upon vesting unless the Outside Director elects to defer settlement of the RSUs to a future date. Outside Directors are entitled to receive dividend equivalents on the RSUs in the event the Company pays a regular cash dividend on its Class B common stock. Dividend equivalents will accrue on the RSUs (including deferred RSUs) until the RSUs are settled.

OTHER

Expenses:

Outside Directors are reimbursed for expenses incurred in attending Board, committee and stockholder meetings and certain Company events (including travel and lodging) in accordance with the Company's Board travel policies, and administrative expenses that may be approved by the Board from time to time.

Matching Gifts Program for Directors:

All members of the Board, including directors who are employees, are eligible to participate in the Company's Matching Gifts Program for Directors. Under the program, the Company matches donations made by a director to eligible tax-exempt organizations at the rate of one dollar for each dollar donated up to \$25,000 for each fiscal year. The purpose of the program is to recognize the interest of the Company and its directors in supporting eligible organizations.

Stock Ownership Guidelines:

Within three years of becoming a member of the Board, each director is expected to own shares of Company common stock (including stock units under the Company's Deferred Compensation Plan for Outside Directors) having a market value of at least five times the annual cash Board retainer. Once a director satisfies the stock ownership guidelines, the guidelines will continue to be deemed satisfied for such director, regardless of market fluctuations, so long as the director does not sell any stock (a) where the sale causes the value of his or her holdings to be less than the guideline amount or (b) at a time when the value of his or her holdings is less than the guideline amount.

CERTIFICATION

I, Robert M. Bakish, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Paramount Global;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 4, 2023

/s/ Robert M. Bakish

Robert M. Bakish

President and Chief Executive Officer

CERTIFICATION

I, Naveen Chopra, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Paramount Global;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 4, 2023

/s/ Naveen Chopra

Naveen Chopra

Executive Vice President, Chief Financial Officer

**Certification Pursuant to 18 U.S.C. Section 1350,
as adopted pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of Paramount Global (the “Company”) on Form 10-Q for the period ended March 31, 2023 as filed with the Securities and Exchange Commission (the “Report”), I, Robert M. Bakish, President and Chief Executive Officer of the Company, certify that to my knowledge:

1. the Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Robert M. Bakish

Robert M. Bakish

May 4, 2023

**Certification Pursuant to 18 U.S.C. Section 1350,
as adopted pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report of Paramount Global (the "Company") on Form 10-Q for the period ended March 31, 2023 as filed with the Securities and Exchange Commission (the "Report"), I, Naveen Chopra, Executive Vice President, Chief Financial Officer of the Company, certify that to my knowledge:

1. the Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Naveen Chopra

Naveen Chopra

May 4, 2023